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# Sub-Saharan Africa Report

No. 2467

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14 August 1981

## SUB-SAHARAN AFRICA REPORT

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TRADE BOOM EXPECTED BY ZIMBABWE'S NEIGHBORS FAILS TO MATERIALIZE

Salisbury THE FINANCIAL GAZETTE in English 17 Jul 81 p 5

[Text]

**ALTHOUGH** Zimbabwe's war of independence ended in December, 1979, the anticipated trade boom expected by the bordering Black African states has not materialised, says an article in *Lloyd's Shipping Economist*.

The monthly magazine, which analyses shipping and commodity trends, says that its figures for vessels calling at East African ports show only a very slight increase in 1980 over the level of 1979. Mozambique, which was expected to gain most from the ending of hostilities, recorded a mere 1% increase in ships calling at its ports.

**TRANSPORTATION**

The magazine points out that the greatest hindrance to the efforts of the Black Southern African states to cutting their dependence on South Africa's transportation routes and trade outlets — which would lead to

a rise in traffic in East African ports — is the lack of enough modern transportation and cargo handling equipment to move goods from the landlocked states to the ports.

"Large investments are also needed at the ports themselves if they are to react efficiently to the demands made of them", stressed *Lloyd's Shipping Economist*.

Before the border between Mozambique and Zimbabwe was closed in 1976, about 75% of the country's trade was handled by Mozambican ports. But as the war developed Zimbabwe became totally dependent on South Africa for its trade.

The dominance by South Africa over the East African region's transport systems was one of the main reasons for the formation of the Southern African Development Co-Ordination Conference (SADCC).

Key priority was given to extension and modernisation of port and rail facilities. But progress has been slow. The years of fighting in Zimbabwe and Mozambique, and the consequent neglect of the ageing rolling stock and track has made the task of restoration a long and expensive one.

In addition, ports were allowed to silt up so, said the magazine, a considerable amount of dredging needs to be carried out before they can return to full operation.

Yet if rail and port facilities were operating normally the benefits that could be obtained would be considerable.

"Even if only pre-war levels are achieved, the Mozambican port throughput could be between four million and five million tonnes a year — a big jump from present levels," said the magazine.

WEST AFRICAN WOMEN'S ORGANIZATION PLANNED

Accra DAILY GRAPHIC in English 18 Jul 81 p 5

[Text] Ghana, Nigeria and Guinea have agreed in principle to form the nucleus of the proposed West African Women's Organization in pursuance of the aims and objectives of the Economic Community of West African States (ECOWAS).

This was disclosed in Accra by Madam Gladys Bampoe-Pare, member of the national executive of the women's wing of the People's National Party (PNP), when she welcomed a three-man delegation from the Revolutionary Organisation of Guinean Women, the women's wing of the ruling party in Guinea.

Madam Bampoe-Pare said this decision was taken at the last congress of the women's wing of the ruling National Party of Nigeria (NPN), held in Kano last December.

To this end, she said a memorandum had been presented to the national executive committee of the People's National Party for consideration and approval.

Nigeria, she said, expressed her readiness to give both moral and financial support towards its realization.

Replying, Mrs Faton Koita, secretary of the Revolutionary Organization of Guinean Women, leader of the delegation, paid tribute to the late President Kwame Nkrumah and President Sekou Toure of Guinea for their great foresight and vision tries together as brothers and sisters.

Mrs Koita, who is also a member of Guinea's National Assembly, noted that both Dr Nkrumah and President Toure succeeded in their objectives because the two men did not only think alike, but also had similar political ideas and philosophy.

She said the death of President Nkrumah was not only a great loss to the people of Ghana but also to the people and government of Guinea.

Mrs Koita pointed out that Guinea could never forget the invaluable moral and other support given to her people by Dr Nkrumah's government during Guinea's fight for independence.

The Guinean delegation, which comprises Mrs N'ganie Toure and Mrs Nyata Camara, were introduced to the national executive of the PNP women's wing by Mr Cherif Diallo, Guinean Ambassador in Ghana.

Among the executive members present were Mrs Winnie Iddrisu, Miss Agnes Amoako-Atta and Madam Larkai, Greater Accra Regional chairman of the women's wing.

The delegation leaves for Lome tomorrow.--GNA

CSO: 4700/302



## INTER-AFRICAN AFFAIRS

### BRIEFS

FAO FOOD-SHORTAGE LIST--Ghana is among 26 African countries with abnormal food shortages arising from natural and man-made causes, according to the UN Food and Agriculture Organisation (FAO) in its latest Food Outlook report. The other 25 countries are: Cameroon, Cape Verde, Chad, The Gambia, Guinea, Guinea Bissau, Mali, Mauretania, Senegal, Togo, Upper Volta, Equatorial Guinea, Djibouti, Ethiopia, Kenya, Somalia, Sudan, Tanzania, Uganda, Angola, Lesotho, Madagascar, Malawi, Mozambique and Zambia. Zimbabwe and Central African Republic, which were previously on the FAO list, are now considered to have an adequate food supply situation. [Text] [London WEST AFRICA in English No 3337, 13 Jul 81 p 1618]

CSO: 4700/302

CCCE GRANTS AGRICULTURAL, RAILROAD LOANS

Libreville L'UNION in French 18-19 Jul 81 p 4

[Article by Mualabu Mussamba]

[Text] The members of the control council of the Central Fund for Economic Cooperation (CCCE), a French public service organization, met in Paris on 3 June to review the loan requests made by developing countries. During that meeting, the CCCE agreed to finance two important projects included in Gabon's development program.

The CCCE representative in Libreville, Mr Gombert, indicated during an interview that the CCCE has granted a 1.5 billion francs CFA to the Boumango Industrial Agriculture and Animal Husbandry Company (SIAEB).

He noted also that the SIAEB carried out agricultural experiments on corn and soybeans in Boumango, Haut-Ogooue, at the request of the Gabonese government. With these experiments a success, it was decided that a poultry project should also be established, in order to take advantage of all the possibilities present in the project.

The Boumango integrated crop and poultry raising complex will include 2,400 hectares of corn and soybeans, and the production of 7,400 tons of cattle feed and 2,250 tons of poultry.

The second loan amounting to 300 million francs CFA was granted by the CCCE to the Gabonese Republic for the purchase of 4 additional diesel-electrical locomotives. This will make it possible to respond to the expanding needs of the Transgabonese Railroad traffic.

It will be recalled that the loans granted by the CCCE to Gabon in 1980 amounted to 8.9 billion francs CFA.

It should also be noted that the railroad is viewed by the government as a tool for the development and diversification of the Gabonese economy for the post-oil period. Thus the government has decided to assume all the investments for railroad infrastructures. Planned subsidies for OCTRA [Transgabonese Railroad Office] operations are estimated at 2 billion francs CFA per year. These subsidies are included in the state budget.

CSO: 4719/242

## SDF OFFICIAL ADVOCATES NEW SOCIALIST ORDER

Accra GHANAIAN TIMES in English 24 Jul 81 p 8

[Text]

**T**HE deputy leader of the Social Democratic Front, Professor Mawuse Dake, has said that unless the structures operating the present system of government are broken down and an entirely new socialist order established, Ghana would never change for the better.

He, therefore, suggested an effective decentralized system in which the toiling masses could be involved, to a large extent, in decision making and control of the country's administration.

He was addressing a consultative meeting of "concerned citizens" at Ho on Wednesday night on his views about the merger of the five minority parties.

Prof. Dake described the structures in the present system of administration as "rotten and dilapidated".

ing room for the institutionalization of corruption and its allied vices in the Ghanaian society, and insisted that they should be broken down and replaced with entirely new ones.

The SDF deputy leader stated that there was no guarantee that the new party, if elected, could perform more creditably than the ruling People's National Party administration to relieve the Ghanaian masses of their sufferings.

"Political power which cannot be used to reconstruct the country so that the ordinary people could be emancipated, is as useless as those who wield it," he stressed.

The situation of the ordinary Ghanaian had so deteriorated that several Ghanaians now lived in what he described as "economic exile", adding that there was no alternative within the present system which could put things right.

CSO: 4700/304

PNP'S OLD GUARDS DENY ANTI-LIMANN STANCE

Accra GHANAIAN TIMES in English 20 Jul 81 p 3

[Text] The Old Guards of the People's National Party have denied a report in an Accra weekly that "there is a subtle move to vote out President Hilla Limann as the party's presidential candidate and to replace him with either Dr Alex Quaison-Sackey or Professor George Benneh, Minister of Finance and Economic Planning, or Nana Aduhene, a Minister in the Nkrumah regime, now secretary to the Old Guards."

In a statement issued in Accra at the weekend, the Guards said no such move "has ever been or is being contemplated by them."

Confusion

They, therefore, dissociated themselves from the said moves and condemned any person or group of persons wishing to sow seeds of discord or confusion between the Old Guards and President Limann, in particular, and the PNP, in general.

The statement added: "It seems to the leadership of the Old Guards that there are some persons within or without the PNP who are bent on tarnishing the image of some innocent, principled, loyal party members to the leader, Dr Limann, for their unbridled selfish ends.

"To this end, they have embarked upon creating discrediting stories through the whispering campaign of old, peddling of rumours and exclusive interviews or releases with unrevealed sources.

"For instance, barely a month ago, the Association of the Past Students of the erstwhile Kwame Nkrumah Ideological Institute had to come out with a press release to deny any association with the Commoners Party and to rededicate itself to the aspirations and objectives of the People's National Party.

"However, the Old Guards are convinced that these seasonal dastardly moves cannot deflect the PNP under the leadership of Dr Limann from its chosen path."

The statement reiterated the objectives of the Guards' leadership that "it is neither a separate entity which is out to undermine or overthrow the PNP, nor a destructive virus within it.

The Guards re-pledged their loyalty and support to the party under Dr Limann's leadership and assured him that they had dedicated themselves anew to the objectives, aspirations and unity of the PNP.

CSO: 4700/304

## PRL CHARGES AFRC REVIEW WOULD BE ILLEGAL

Accra DAILY GRAPHIC in English 22 Jul 81 p 5

[Article by E.G.K. Deletsa]

[Text]

**THE People's Revolutionary League of Ghana (The League), has said that the series of press conferences organized by Major Boakye Djan and Captain Baah Achamfour "aggravate the reality of constitutional lawlessness in the country today".**

In a release signed by the general secretary Mr T Kodjo-Ababio Nubuor in Accra yesterday, the League referred to the two army officers' announcement that majority of AFRC members mandated them "to renew their call for a probe into the affairs of the AFRC" and said that any review exercise could only be undertaken by the Special Tribunal.

It said the Special Tribunal was charged to review findings made by the committees of inquiry established by the erstwhile AFRC and never on the basis of any report of any other body or institution.

The League contended that not even a body established by some known or unknown majority of the former members of the AFRC or the Minister of Presidential Affairs of the Third Republic, could undertake a review exercise on adverse findings of committees of enquiry set up by the AFRC. The

Central Executive Directorate made it clear that it believed "the Supreme Court is going beyond its jurisdiction in the current proceedings on matters arising out of the AFRC rule".

It said an actual review exercise "is taking place in the corridors of the court at the moment when it knows that it does not have any power to review any act committed by the AFRC or its associates or agents.

The League pointed out that the Supreme Court only has the right to determine whether or not the AFRC or its aides took certain actions but does not have the power to ask questions on how such actions were taken.

• The Movement on National Affairs (MONAS) has offered a "friendly advice" to the Chief Justice, Mr Justice F. K. Apaloo, to resign his office in his own interest

Monas views were contained in a statement issued in Accra yesterday, in support of Major Boakye Djan and Captain Baah Achamfour, both members of the erstwhile Armed Forces Revolutionary Council (AFRC), who had called on the Chief Justice to resign

NEW PARTY HARKENS BACK TO 'GOLD COAST CHARACTER'

Accra DAILY GRAPHIC in English 23 Jul 81 p 1

[Article by Elvis D. Aryeh]

[Text]

**MR Kwame Nyanteh, the defeated independent Presidential candidate in the 1979 general elections, is now spearheading a new political party, the Gold Coast Renaissance Party.**

The founding members are scheduled to meet the Electoral Commissioner on August 11 to register the new party.

In an interview at Dawu-Akuapem, Mr Nyanteh revealed that the symbol of the Gold Coast Renaissance Party is an elephant carrying corn at its back.

He explained that the choice of the name Gold Coast "does not mean that we intend to give away or sell out Ghana back to colonialism."

The party, Mr Nyanteh stated, is committed to the elimination of "the present day criminal order in the Ghanaian society in which the thief, the robber and the cheat live best and are freer and happier."

Mr Nyanteh is of the opinion that "in order to reverse this trend and recover the national pride we must return to the Gold Coast character of honesty, justice, freedom and concern for other persons.

"Through this, the party hopes to give a new birth to Ghana and restore the traditions that held the people of the Gold Coast together and gave them their respectability and distinct character," Mr Nyanteh said. He stressed the need for "a new political leadership both at the Executive and Legislative levels in the country because of the fast deteriorating conditions of life."

The Gold Coast Renaissance Party, Mr Nyanteh said, has its roots in the Ghana Civic Rights Movement which had already been registered as a corporate body.

YOUTH WINGS FORM OWN MOVEMENT

Accra GHANAIAN TIMES in English 22 Jul 81 p 3

[Article by Cynthia Tackie]

[Text] Youth wings of the five merged minority political parties have formed a youth movement to embrace all the youth wings of their respective parties.

The movement will formulate policies and co-ordinate programmes and activities of all the regional constituency and ward wings of the minority parties.

Mr A.A. Abanyie, Action Congress Party MP for Cape Coast, chairman of the new movement, who announced this at a press conference in Accra yesterday, named other officers serving on the interim national executive as Mr W.B.Y. Anim-Addo, secretary, and Mr K. Danso-Acheampong, publicity secretary.

Mr Abanyie assured the nation that the committee would work closely with the national working committee of the leaders of the merged parties to achieve a viable merger to offer an alternative political party that would satisfy the aspirations of Ghanaians.

He announced that a full meeting of the national consultative committee would be called to prepare a national programme to launch the national youth movement in all the regions.

Mr Abanyie urged the youth of the country to rally behind the Movement to participate in the cause of the youth in the political, social, economic and moral reformation of Ghana.

Knowledge

"Our National Youth Movement is committed to action, hard work and the intelligent application of knowledge to the harsh results of our time," he said.

Meanwhile, the National Youth Movement of the five merged minority parties has opposed any attempts to degrade the office of the Electoral Commission and thus undermine democracy in the country.

In a resolution passed at a meeting in Accra yesterday, the movement advised that those self-approved critics of the Electoral Commission should rather address themselves to the near-anarchy state of affairs in the country.

CSO: 4700/304

## BRIEFS

LABOR SEEN MISUNDERSTOOD--The Secretary-General of the Trades Union Congress, Alhaji A.M. Issifu yesterday pointed out that it was either through ignorance or prejudice that the labour movement was being erroneously regarded as a threat to the established order, regardless of its good intentions to bring about genuine social change and progress. He stressed that "we shall not relent in our fight to draw the attention of employers and government to the need for safety and health and congenial working environment for workers as a necessary precondition for the development and progress of the nation." Alhaji Issifu noted that the labour movement had faith and confidence in the ability of the Ghanaian worker and believed that given the right and necessary facilities and incentives "he can squarely overcome the challenges of our times." [Excerpts] [Accra GHANAIAN TIMES in English 31 Jul 81 p 3]

OWUSU WOULD STEP DOWN--Mr Victor Owusu, leader of the Popular Front Party (PFP), has observed that he is prepared to sacrifice his position in the party for the betterment of the nation. He would readily accept and serve any person who would be ultimately elected as leader of the five merged minority political parties, he told a rally of the minority political parties in Kumasi last weekend. Mr Owusu reminded Ghanaians that during the 1. Presidential elections, when the choice was between him and Dr Hilla Limann, he requested the electorate to vote for anyone of them who could give a better administration. He said Dr Limann was accepted and the people were all witness of how his administration was faring. The PFP leader appealed to supporters of the minority parties to take advantage of the current registration exercise to register in their numbers in order to have the [word blurred] power --GNA [Excerpt] [Accra GHANAIAN TIMES in English 21 Jul 81 p 8]

NO BIRTH REGISTRATIONS--No births have been recorded in Ghana since March this year, reported the Daily Graphic. It added that the birth rate had not plummeted (from around 3 percent annually) but that the Births and Deaths Registry had run out of registration forms. [Text] [London WEST AFRICA in English No 3337, 13 Jul 81 p 1618]



YOUTH WINGS APPROVE MERGER--Leaders of the youth wings of the five minority parties which have recently merged have dismissed criticism of the merger by Professor Mawuse Dake, deputy leader of the Social Democratic Front. He was reported as describing the merger as a sham. The five youth leaders said the criticism was ill-conceived and misplaced. The chairman of the Interim Group of the merged parties, Mr Mathew Boadi Sarpong, also replied to the criticism that the merger took place without the leaders consulting the rank and file of the parties. He said that the merger took place because of the pressure from the rank and file. [Text] [London WEST AFRICA in English No 3338, 20 Jul 81 p 1674]

HUNGER IN RIOT-TORN REGIONS--The National Committee for Emergency Food Relief has urged the government to resume food relief operations in certain areas of the Northern and Upper Regions currently facing acute food shortages. The committee also appealed to friendly countries to help save the people with food aid. A statement from the Ministry of Labour and Social Welfare said the committee, which toured the two regions, had found that the fighting between the Nanumba and Konkomba people had disrupted farming activity in most of the Northern Region which used to supply many other parts of Ghana with foodstuffs. The committee said that while it appreciated the government's efforts to solve Ghana's food problems, the current vote of £4.2m. for food relief in the Upper and Northern Regions was inadequate and should be supplemented. It recommended that fertiliser and other farm inputs including fuel should be supplied before the start of each farming season for more efficient farming. Border Guard activity in border towns and villages in the two regions should also be intensified to curb the high rate of food smuggling. The committee, which toured such towns as Tamale, Bolgatanga, Nalerigu, Gambaga, Walewale, Gurur and surrounding villages, also recommended small dams for irrigation and the provision of storage facilities to boost farming productivity. [Text] [London WEST AFRICA in English No 3337, 13 Jul 81 p 1616]

CSO: 4700/302

BRIEFS

STUDY GRANT--Decree No 580/PRG of 13 December 1980 awards a study grant for post-graduate studies in economics and planning to comrade Professor Aminatou Barry, formerly the recipient of a grant for post-graduate studies in the Soviet Union, for the academic year 1980-1981. Tuition and living expenses will be borne by the Yugoslav government, while transportation expenses will be paid by the Guinean government. [Excerpt] [Conakry JOURNAL OFFICIEL DU PARTI-ETAT DE GUINEE in French 15 Dec 80 p 216]

HUNGARIAN STUDY GRANT--Decree No 601/PRG of 27 December 1980 awards a study grant for graduate studies in electronics in the Republic of Hungary to comrade Sory Kaba for the academic year 1980-1981. Tuition and living expenses will be borne by the Hungarian government, while transportation expenses will be paid by the People's Revolutionary Republic of Guinea. [Text] [Conakry JOURNAL OFFICIEL DU PARTI-ETAT DE GUINEE in French 15 Dec 80 p 219]

YUGOSLAV STUDY GRANT--Decree No 024/PRG of 9 January 1981 awards a study grant to comrade Mohamed V Camara for graduate studies in electro-mechanics for the academic year 1980-1981 in the Socialist Federal Republic of Yugoslavia. Tuition and living expenses will be paid by the Yugoslav government while transportation expenses will be borne by the Guinean government. [Excerpt] [Conakry JOURNAL OFFICIEL DU PARTI-ETAT DE GUINEE in French 1 Jan 81 p 6]

CSO: 4719/242

TRIAL CONTINUES OF EIGHT ACCUSED OF BCP SEDITION ATTEMPT

Maseru LESOTHO WEEKLY in English 24 Jul 81 p 1

[Article by Makotoko Molomo and Mpine Tentel]

[Excerpts] There was a concerted plan by the accused to overthrow the Government of Lesotho by force with full participation of the Basuto and Congress Party (BCP) members on the night of May 18 last year, the High Court was told this week.

The Principal Crown Counsel, Mr K.C. Kamalanathan, addressed Mr F.X. Xavier Rooney sitting with his assessor, Morena S.P. Molapo, after the defence in the treason trial had concluded its evidence.

Speaking in the trial that has been going on since March this year in which two of the eight accused were charged with sedition and the rest with high treason, sedition and contravention of the Internal Security General Act, Mr Kamalanathan rejected as false their evidence that they engaged in these unlawful acts because they were acting under duress.

Those charged with sedition are Setona Mojaki and Mokhalinyane Lebeko. Facing charges of high treason are Tumelo Sesinyi, Molahlehi Ratefane, Motsepe Monosi, Adontsi Monosi, Peterose Shai, Sesinyi and Lebona Monosi all from Kolo in the Mafeteng district.

They are also alleged to have killed two members of Basotho National Party, Mr Sello Mpakanyane and Mrs 'M'athabo Kalanyane.

The Crown Counsel contended that the accused held a meeting before the one at the donga on May 18 last year which they were urged to attend. Mr Kamalanathan said this was a politically inspired gathering which the accused attended on their own free will.

He said after undergoing a scarifying ceremony, the accused were told by Ralinaleli to proceed to Mafeteng to attack the police station and secure firearms which would be used to topple the government.

Meanwhile, it is reported that a man known as Ralinaleli, the alleged leader of a group of eight members of the BCP (Basutoland Congress Party) facing a charge of treason in the High Court, is presently under police protection at Queen Elizabeth II Hospital in Maseru.

He is reported to have been assaulted by the villagers following his capture in Kolo, Mafeteng, recently.

CSO: 4700/305

BRIEFS

NEW DAM CONSTRUCTION--Construction of a M5 million Maqalika Dam near the confluence of Mejamelalana and Caledon Rivers, five kilometres east of Maseru has started. It is being built by London-based Binnie and Partners Company. According to the company's resident engineer here, Mr Samuel Hugh, the dam will be 23 metres high. It will stretch the confluence to the Maseru-Teyateyaneng road Seababoleng. Mr Hugh said it would hold 3,650 million litres of water intended to be used for domestic purposes during drought periods. The dam will be supplied with water pumped from Caledon River and also from rain. When the new dam is completed in October next year, water from Seababoleng Dam will no longer be used for domestic purposes. About 80 people have been employed in the project. Binnie and Partners company has been in the country for 15 years.  
[Text] [Maseru LESOTHO WEEKLY in English 24 Jul 81 p 1]

CSO: 4700/305

## BRIEFS

PETITION FOR ISLAND REFUGEES--A delegation of the Committee of Solidarity with the Refugees of Diego Garcia delivered a petition to the Mauritian Embassy [in Paris] on 27 July demanding an end to the proceedings against the refugees and respect for their rights. Among the 85 signing the petition were: Attorney Gisele Halimi, Attorney Matarasso, representing the International League for the Rights and Liberation of Peoples; Claude Bourdet, of the Movement for Disarmament and Peace; Attorney Tholman-Guillard, president of the International Federation of Women Jurists; Edmond Jouve, of the Permanent Court of Nations; Brice Lalonde, of the Friends of the Land; the weekly SANS FRONTIERES, the National Union of Students in France, and the Association of Mauritian Students in Paris. [Text] [Paris LE MONDE in French 29 Jul 81 p 6]

CSO: 4719/246

S. AFRICA REJECTED DEFECTING OFFICER IN 1979

Johannesburg SUNDAY TIMES in English 19 Jul 81 p 13

[Article by Martin Welz]

[Text]

**LIEUTENANT** Andriano Bomba, black Mozambican air-force pilot who flew a MiG 17 fighter to South Africa last week, is not the first black military officer from Mozambique to have sought asylum in South Africa.

The Sunday Times can reveal that a black lieutenant in the Portuguese colonial army applied for asylum in Pretoria in 1979.

He told the Pretoria Commissioner's Court that if he were sent back to Mozambique it would be "as good as a death sentence".

But last year, after South African officials had made repeated unsuccessful attempts to persuade Portugal or a "friendly neighbouring state" to accept him, he was sent back to Mozambique.

"I ask for help," he told the court at his final appearance.

"There is no help," the magistrate told him.

As the Sunday Times has not been able to establish what happened to the officer on his return to Mozambique, it will not reveal his name or the exact dates of his trial in Pretoria and subsequent deportation.

## Hiding

According to the court record, Lt X fled Mozambique in 1975 shortly after the revolution and went into hiding in South Africa.

He succeeded in obtaining a Mozambique passport under a false name, but in 1979 he was arrested in a raid at his place of employment and charged with being in the Pretoria area without the necessary permission.

When he appeared in court he pleaded guilty and informed the magistrate of his true identity.

He asked to be allowed to explain the circumstances of his case.

"When things got out of hand in Mozambique in 1974 I realised that I had no chance as I had served under the Portuguese authorities.

"I decided to flee to South Africa.

"In 1975 I approached the Mozambique representative in South Africa and applied for a passport giving a false name," he told the court.

"Without a passport I knew the South African authorities would arrest me and send me back to Mozambique."

Faced with just that possibility in court, Lt X asked to be given an opportunity to apply to "countries favourably disposed to South Africa" for asylum.

The prosecutor in the case agreed to a postponement of the case while he investigated the application.

Lt X was held in custody for four months while, according to court records, officials approached the embassies of several "neighbouring states".

At a later stage, when it appeared that these approaches were meeting with no success, Lt X asked to be allowed to make personal contact with the Portuguese Embassy in Pretoria.

The prosecutor assured the court that officials would contact the Portuguese Embassy about the matter.

## Dragged on

The subsequent negotiations with the Portuguese Embassy dragged on for six months.

When he had been in custody for four months, Lt X again assured the court that he did not mind his case being postponed further.

"To be hasty could sink my case," he said.

According to the court record the Portuguese Ambassador referred the case to the Portuguese Foreign Ministry in Lisbon, but what the outcome of his petition to the Portuguese Government was, is not recorded.

Nine months after his arrest, Lt X was brought before court and his trial proceeded. "I ask for help," he told the magistrate.

There was none. Lt X was deported the next day. The deportation documents were issued in his real name.

## MOZAMBIQUE

### BRIEFS

ALLEGED SECRET OIL DEAL--Mozambique is reported to have signed a secret pact with South Africa over oil supplies. Nearly half the oil processed in Maputo is actually being sold to South Africa, according to "Africa Now." The "highly secret contract is between the State-owned Petromoc refinery at Maputo and the Cape Town-based Caltex refinery," says the magazine. The Maputo refinery is small and can only distil oil at atmospheric pressure. This leaves a sticky residue which has to be processed in a more sophisticated refinery. Mozambique, therefore, needs a market for atmospheric residue. Last year, the magazine says, an agreement was reached whereby Maputo Fuel Oil (MFO) is sold to Caltex for processing at Cape Town. More than 40 percent of the 9,000 barrels a day of crude handled at the Maputo refinery is sold to South Africa, says the magazine. The 78,000-ton tanker River Thames carries MFO regularly from Maputo to Cape Town, according to the magazine. It says the first consignment from Maputo was sent on January 28, 1980 and the tanker has since called roughly every three months to pick further supplies. [Text] [Mbabane THE TIMES OF SWAZILAND in English 16 Jul 81 p 3]

CSO: 4700/303



# EDITOR ACCUSED OF CONTEMPT OF PARLIAMENT

## Speaker Issues Mild Rebuke

London WEST AFRICA in English 13 Jul 81 p 1568

[Text]

THE EDITOR of the Sierra Leone newspaper, *The Tablet*. Mr. Pios Foray, was summoned to appear at the Bar of Parliament because of an allegation that he had committed contempt of Parliament. The Speaker in the end administered the mildest of rebukes, warning the editor to be careful in the future. Mr. Foray, who was not required to offer any apology or indeed to speak at all, left the Chamber "triumphantly" (according to a correspondent who reports on page 1571) and was carried shoulder-high to his vehicle by excited supporters.

This is an outcome that helps the cause of the freedom of the press, and which also demonstrates the good sense of the Speaker; in the end it adds to the dignity of Parliament in Sierra Leone.

The trouble arose because of an article in *The Tablet* criticising a speech in Parliament by Brigadier J. S. Momoh. The speech had deplored the low standards of journalism in Sierra Leone. *The Tablet* agreed but vigorously expressed doubt about Brigadier Momoh's qualifications to criticise. It was an unrestrained, somewhat abusive article: *The Tablet* is noted for its courage but not for its subtlety. However, it is difficult for an observer to see how it could be thought to be a breach of parliamentary privilege. The point is that

parliamentarians must be free to speak their minds in Parliament, and anything that interferes with that--blackmail, promise of reward, undue influence of any kind--deserves to be sternly dealt with.

As the Speaker pointed out, this freedom from the law of libel as well as from undue influence carries with it responsibilities -- the public also has protection from irresponsible MPs. But criticism by the press does not interfere with a politician's freedom. On the contrary, it is essential if parliamentary democracy is to work. Politicians and public men in general -- Brigadier Momoh is a nominated member -- need to have thick skins. They have, in any event, the same protection available to them as the rest of the public in the libel laws. Politicians, being in a position of power, are more open to the temptations of corruption than others; the press has the task of watching what they do, criticising when necessary. In many African countries the press does this at its peril, as *The Tablet* has reason to know. Certainly Parliament should not put any more obstacles than are necessary in the way of the press.

Both the Speaker of the Sierra Leone Parliament and Mr. Pios Foray are to be congratulated.

## Support of Press Noted

London WEST AFRICA in English 13 Jul 81 pp 1571-1573

[Text]

THE CASE of Pios Foray, editor of *The Tablet* versus Parliament ended last Tuesday with an appeal from the Speaker of Parliament, Justice Singer Betts, to Mr. Foray to be cautious in the future about what he writes in the way of comments and articles on the contribution of members in the House of Representatives.

Following a motion of "breach of his parliamentary privilege" filed by an appointed member of the House, Brigadier J. S. Momoh, during the proceedings of Parliament on June 26, the editor of *The Tablet* was summoned by the Speaker to appear in Parliament June 30 to answer to the charge. This was how the proceedings of the impeachment went.

The House was assembled. All the seats in the public gallery were occupied. Thousands of people gathered outside Parliament building, to await the result of the proceedings. A strong sense of solidarity with the editor of *The Tablet* was seen in the number of journalists who turned up in the press gallery. They numbered about 70, and they were seen to share seats as the press gallery can only seat 24.

Mr. Speaker: Sergeant-at-Arms, please bring in Mr. Pios Foray, the editor of *The Tablet*.

Sergeant-at-Arms: Yes Sir.

The Sergeant-at-Arms moved out of the chamber to the Speaker's office where Mr. Foray had been waiting, and escorted him to the Bar of the House.

Mr. Speaker: You, Pios Foray, are editor of *The Tablet* newspaper?

Mr. Foray: Yes.

Voice from the chamber (obviously an MP): Say, "Yes Sir."

Mr. Foray (looking around): Yes Sir.

Mr. Speaker: Mr. Foray, last Friday, while the House was assembled, a motion came up. In that motion, it was alleged that you had committed contempt of Parliament. That charge will be read out to you now by the Clerk of the House. The Clerk will also read to you the contribution made by Brigadier Momoh, which gave rise to the article, as well as the article which you published and edited, and which is now the subject of this impeachment.

The Clerk: Privilege Motion by Hon. Brigadier J. S. Momoh — appointed member. "Let me now beg to move a privilege motion under Standing Order 26 that the editor of the newspaper *The Tablet* be arraigned before the Bar of the House to answer to a charge of serious breach of my parliamentary privileges, which is, in itself, a flagrant violation of section 67 of the 1978 Constitution of Sierra Leone."

The Clerk thereafter read the contribution of Brigadier Momoh to the House on June 16, in which the Brigadier vehemently criticised what he termed "the appalling standard of present day journalism in Sierra Leone".

Mr. Speaker: That was the contribution to the House. And to it was a reply in *The Tablet* of June 17. The clerk will now read the article.

The clerk read the article which is the subject of the controversy.

Speaker: Please read the Brigadier's motion again.

The clerk read the motion of breach of parliamentary privilege moved by Brigadier Momoh.

Speaker: It was in connection with that motion that I asked that you be brought here.

Now, I am not going to ask you to make a plea. I wish to recall the meeting I had with you in my office last Friday, and the advice I gave you. During that meeting we discussed — you and I — the circumstances of the article. I was very much impressed with the sincerity of your motives, and came to the conclusion that the article was a mistake of the head rather than of the heart. I have after much consideration, decided to resort to my constitutional powers and give guidance to you as well as to the Members of Parliament.

On June 10 1981, a Minister of State, Brigadier J. S. Momoh, was contributing in parliament to a motion of thanks to be

presented to His Excellency the President, Dr. Siaka Stevens. In the course of his Speech, the Minister referred to the deterioration in the standard of journalism in Sierra Leone. The relevant portion of the

speech is contained in the Votes and Proceedings of Parliament for June 10 1981. It is in connection with this contribution that there appeared in *The Tablet* for Wednesday, the 17th June, 1981, a comment captioned "Brigadier Momoh is right?" which forms the basis of the complaint you are now being requested to consider. The article has been read out and laid on the table.

## MP's privileges

The obvious question in this exercise is — on what ground is the complainant basing his complaint? The answer is that the complainant having been constitutionally and lawfully nominated as a member of parliament, such nomination confers upon him privileges, which are varied, and also immunities. The inviolability of these privileges become pronounced while in Parliament, within its precincts, and when someone is engaged on parliamentary business. Section 67 of the Constitution of Sierra Leone, 1978, enacts that "there should be freedom of speech, debate and proceedings in Parliament and that freedom shall not be impeached or questioned in any court or place out of Parliament". Under this section every member is invested with a right to contribute fully without interference. Of course, there are exceptions. These are notable in criminal cases. These privileges when assailed constitute a breach or contempt, for which any Member of Parliament as a body can move.

I have already said that a breach of contempt can assume many forms and according to a leading authority — *Ersine May's* 17th edition at page 109 — "Any act or omission which obstructs or impedes either House of Parliament in the performance of its functions, or which obstructs or impedes any member or officer of such House in the discharge of his duty, or which has tendency, directly or indirectly to produce such results may be treated as a contempt even though there is no precedent of the offence." At page 173 the authority goes on to say: "That the control of each House over its internal proceedings is absolute and cannot be interfered with by any court". . . Also . . . "that a commitment for contempt by either House is in practice within its conclusive jurisdiction, since the facts constituting the alleged contempt need not be stated on the commitment warrant."

It will therefore serve little purpose to itemise acts which will constitute a breach of privilege or contempt.

Up to this point, it would appear that a non-parliamentarian has no protection. But this is not so. It is comforting to know that even parliamentarians can be brought up for contempt before the House against non-parliamentarians. The procedure is outlined in our constitution already referred to under the head "Privileges and Immunities" from paragraph 68(2) at page 50 which states, "Whenever in the opinion of the person presiding in Parliament a statement made by a member is *prima facie*

defamatory of any person, the person presiding shall refer the matter for enquiry to the Committee of Privileges which shall report its findings to Parliament not later than 36 days of the matter being so referred." Sec (3) states, "Where the Committee of Privileges reports to parliament that the statement made by the member is defamatory of any person, the member who made the statement shall, within seven days of that report, render an apology at the Bar of Parliament, the terms of which shall be approved by the Committee of Privileges and communicated to the person who has been defamed." Section (4) and (5) further provide for reasonably adequate steps for restoration. Another question which I think will arise, particularly in the mind of the public is — what can one write about or say or publish without incurring a violation of parliamentary privilege? The answer partially is obtained from 72(a) and (b) of our constitution. It reads, "Subject to the provisions of this constitution, no person shall be under any civil or criminal liability in respect of the publication of a) the text or summary of any report, papers, minutes, votes of proceedings of parliament or b) a contemporaneous report of the proceedings of parliament unless it is shown that the publication was effected maliciously or otherwise in want of good faith". It should be realised that the reference to (a) and (b) above indicates topics which would not normally be litigated on and would not normally incur the frowning of parliament. But as I said before, these indications are only partial; there could also be observations and comments provided that such

observations and comments do not have a tendency to impeach or to question contributions by individuals . . .

Having said that, it now remains for me to warn you Mr. Editor to be careful in the future . . .

After this address by the speaker, Mr. Foray was again escorted out of the chamber by the Sergeant-at-Arms.

## Press freedom

This episode in Parliament, which is believed to be the first of its kind in the history of the republic, was viewed by political analysts as a resounding victory for Pios Foray, and the acknowledgement of the freedom of the press in Sierra Leone.

As Mr. Foray walked out triumphant from the chamber, the crowds which were waiting for him outside carried him shoulder high into his Jeep. Hundreds of people milled around him calling out victory slogans. As his vehicle pulled out of the precincts of Parliament, the crowds forced it to move very slowly while cheering crowds walked in front of, beside and behind the vehicle singing victory songs. The crowds proceeded down Parliament avenue into the top of Gloucester Street and made their way through Garrison Street to the offices of the newspaper at Rawdon Street.

As the news of the victory spread throughout the city, hundreds of sym-

pathisers to the cause of *The Tablet* called at the Rawdon Street press to congratulate the editor.

Throughout the weekend of suspense, what was most marked was the solidarity of the press, in particular the Sierra Leone Association of Journalists, towards Mr. Foray's alleged misdemeanour. When the House resumed at 10 am on Tuesday, (the morning of the impeachment) to commence the debate on the budget, the whole press corps in Freetown boycotted the press gallery, and the few pressmen from the Government Information Services and the Sierra Leone News Agency who were on duty sat inconspicuously among the public in the general public gallery.

By 2.30 pm, half an hour before Mr. Foray was to appear before the House, the press gallery was packed with pressmen, including those who had retired from active practice. Journalists from all arms of the media had come out in full force to register their solidarity with the accused editor.

Said one observer "The Brigadier's complaint to Parliament and subsequent motion was ill-advised. *The Tablet* has been critical of the whole system — from the President right down to the palm wine tapper. The Speaker himself, being a learned judge of high repute, should not have encouraged the motion. Parliament has only made a hero out of the young editor."

VILJOEN ADDRESSES NEW SESSION OF PARLIAMENT

Details of Viljoen Speech

Johannesburg THE CITIZEN in English 1 Aug 81 p 10

[Text]

New Constitutional Moves Shortly

THE SESSION of Parliament which started yesterday would be of decisive importance, since various steps in the constitutional sphere would shortly have to be taken, said the State President, Mr Marais Viljoen.

Opening the seventh Parliament of the Republic in Cape Town, Mr Viljoen said these steps would have to be taken in response to reports by the President's Council and in the interest of peaceful co-existence of the various national groups.

"The goodwill and positive results which have already been achieved and consolidated in the President's Council will form the basis of the important decisions which the Government may take on the proposals for the effective and meaningful participation of Coloureds and Asians in the decision-making process,

and on the socio-economic position of these population groups.

"The Government is likewise giving serious attention to the improvement of the living conditions and rights of the Black communities.

"As regards the constitutional development of the national states, the gaining of independence by the Ciskei on December 4 this year will receive your attention during this session.

"Important developments in connection with the creation of a confederation and a constellation of Southern African States can be expected in the next few months."

Referring to economic development, the State President said discussions and negotiations were at present being conducted with the independent and self-governing national States.

THE STATE President said that peaceful development and sustained progress depended to a large extent on a sound economy, and it was gratifying that in 1980, South Africa was one of the few countries which were able to achieve the high growth rate of 8 percent.

This was achieved in the midst of world-wide recession. "Although in all the sectors of the national economy favourable conditions have been in evidence in varying degrees for the past number of years, it must be expected that such a high level of economic activity will not continue indefinitely and there must inevitably be a levelling off.

"It is expected that a growth rate of between 4 and 5 percent will nevertheless be maintained in 1981.

"By international standards this is a highly satisfying situation.

"The maintenance of a steady growth rate and the improvement in the living conditions of all the people in the Republic are, however, being affected by the rate of inflation," he said.

There were heartening signs of a slight decline in the rate of inflation and the Government was doing everything in its power to promote this trend.

The State could not achieve this object on its own, and it remained essential for all individuals and undertakings to realise their responsibility with regard to wage and salary demands, unwarranted price increases, judicious spending, increased productivity and thrift in the consumption of goods and the use of services.

The recent sharp decline in the gold price could be attributed mainly to the high level of American interest rates, tight money conditions and the low level of economic activity in Western countries.

The decline entailed certain inevitable adjustments for the South African economy.

"Not only is it reducing the revenue of the gold mines and therefore also the revenue of the Exchequer, which in itself is aggravating the State's problems in financing the Budget in a non-inflationary manner, but, together with lower earnings on exports and persistently high imports, it has already given rise to a moderate deficit in the current account of the balance of payments.

"This deficit is not unexpected, however, and is normal in the present phase of the business cycle.

"Thanks to the Republic's particularly high credit rating in the foreign capital markets, no insurmountable difficulties are foreseen in financing this deficit by means of trade financing as well as capital inflow."

Mr Viljoen said fiscal policy would have to be underpinned by a monetary policy which would be directed at getting a more effective grip on the money supply and which would not be inconsistent with the application of free market principles.

A year ago, rates of interest in the South African money and capital markets were still abnormally low after the decrease of the previous three years.

These low rates were closely related to the abnormally high level of liquidity that had built up in the

South African economy in 1979 and 1980, mainly as a result of the increase in the gold price and the large surpluses that persisted in the current account of the balance of payments.

There had been a drastic change in these conditions, particularly because of the subsequent decline in the gold price, normal cyclical developments and official policy measures aimed at draining the excess liquidity from the financial system.

"The changes in the financial markets as a result of these developments naturally gave rise to a sharp increase in the rates of interest, as is evident from the four increases in the bank rate since January this year.

"This sharp upward adjustment in the interest rate pattern should be seen as an essential part of the Government's current monetary policy which is aimed at establishing more moderate rates of interest in bank credit and the money supply within the framework of the Government's broader anti-inflation strategy.

"The application of the necessary fiscal and monetary discipline will inevitably entail certain adjustments.

"But to deviate from the already adopted course for the sake of illusory short-term benefits will be catastrophic and will in the long term give rise to unacceptable economic and other costs in the economy." — Sapa

Reports on this page by Sapa's Parliamentary team: A Braid, C le Roux, P Claassen, J W Lordan, S Moller and D Powell, all of the Press Gallery, House of Assembly.



## New Jobs Priority

IT WAS essential to continue to give high priority to the improvement of the country's capacity to create new employment opportunities, the State President told Parliament.

It was equally essential to continue to pursue the important objectives of upgrading expertise and developing entrepreneurial talents of all South Africans.

"The purposeful co-ordination of the activities of all public development agencies in accordance with the needs of the private sector is of cardinal importance," he said.

The national physical development plan was presently under revision and the Competition Board was engaged in investigations in various industries with a view to eliminating practices that

might hamper healthy competition.

These measures would give effect to Government policy of limiting State interference in the market mechanism and also encourage competitiveness.

Greater economic co-operation with the independent national States would be encouraged by a system of investment guarantees for South African entrepreneurs investing in these countries.

Measures for implementing the system would be laid before Parliament and an important contribution in this regard would be made by the Small Business Development Corporation and the Council for the Promotion of Small Business.

"In regard to manpower utilisation, 1981 may justly be considered a most important year.

"During the first half of the year, significant progress was made in developing, utilising and conserving the country's entire work force.

"Important changes in the Workmen's Compensation Act and the Unemployment Insurance Act provided for improved benefits and parity between beneficiaries.

"The current session will be marked by the introduction of measures to provide for the active promotion of co-ordinated and improved training guidance and placement services to all work-seekers, and to regulate further relations between employers and employees in the interest of stability and order.

"In final parts of the report of the commission of inquiry into labour legislation and the relevant Government White Papers are expected to be tabled during this session."

## Sustained Vendetta

THE sustained United Nations vendetta and Communist-inspired radical onslaught against South Africa were becoming fiercer, the State President said.

Efforts were being concentrated chiefly on the South-West Africa issue.

"South Africa and the internal leaders of Southwest-Africa, on the other hand, remain prepared to seek a reasonable solution to the problem. Recently these viewpoints were once more conveyed anew to the United States Government.

"What holds the diversity of South Africa's peoples together, in spite of their differences, are the values, ideals and convictions they have in common."

Mr Viljoen said while world peace continued to be seriously threatened by the Soviet Union, with its expansionist aims and actions, it was nevertheless heartening that in certain Western circles it was realised that the free world was faced with a global onslaught that had to be resisted.

"There is also a growing realisation that world peace cannot be achieved as long as the aggressive actions of the Soviet Union and its fellow-travellers are accepted with resignation.

"It is also to be hoped that these signs of a greater sense of reality will lead to an appreciation of the value of Southern Africa to the free world and the implications if South Africa were also to land in the sphere of influence of the Soviet Union."

South Africa did not threaten anyone and wished to live in peace with all her neighbours, "but she cannot and will not allow terrorist groups to act against her or South West Africa from bases in surrounding countries."

"We trust that the countries of Southern Africa will come to the conviction that progress for the subcontinent lies on the road of positive co-operation."

Mr Viljoen said while there was every indication that the development of new economic and constitutional structures was taking place along evolutionary and meaningful lines, the prevailing unstable conditions in the world had to be viewed with considerable concern, particularly the deteriorating conditions in the Middle East, which might inevitably affect South Africa as well.

#### Slabbert Censure Motion

Johannesburg THE CITIZEN in English 1 Aug 81 p 9

[Text]

THE LEADER of the opposition, Dr Van Zyl Slabbert, yesterday gave notice that he would move on Monday a motion of censure of the Government.

The motion reads: "That this House is of the opinion that the Government is deserving of censure;

- "Because it is obviously incapable of combating the ever increasing cost of living;

- "Because, in spite of its promises, it fails to take effective steps to remove discrimination on the ground of race or colour;

- "Because the Prime Minister, despite the fact that he called a general election, failed both during and after the election to in-

dicade the policies for which he sought a mandat.,

- "Because, in the face of increasing social, economic and political pressure, the Government displays a total inability to accommodate this pressure satisfactorily, other than by suppressing allegedly subversive opposition, and

- "Because the Prime Minister's political leadership is hesitant and uncertain as a result of the priority accorded to the interests of the National Party over those of the country as a whole." The customary censure debate will take up the entire first week of the current Parliamentary session, which begins its formal business on Monday. — Sapa.

CSO: 4700/305



UNITED STATES TOLD ZIMBABWE'S ALLEGATIONS ARE FALSE

Capetown DIE BURGER in Afrikaans 9 Jul 81 p 10

[Editorial: "Not So Mr Reagan"]

[Text] Anti-South African propaganda about South Africa's conduct vis-a-vis southern Africa has even penetrated the White House in Washington. In a report to the American congress President Ronald Reagan expressed his concern about the sharpness of recent utterances on the part of Zimbabwe with respect to South Africa, and vice versa.

The "vice versa" part is not true. The hate and stories about a war are coming mostly from one side. All that South Africa said, by word of the prime minister and of Minister of Police Louis le Grange, was that it will not tolerate Zimbabwe's offer of shelter to anti-South African terrorists, for then Zimbabwe must bear the consequences.

Open enmity on the part of Zimbabwe began shortly after Robert Mugabe assumed power. It began with a campaign of hate through all of the news media decrying South Africa from morning til night as "racist, fascist and Nazi-like." The campaign was intensified after South Africa terminated the most favored nation trade agreement with Zimbabwe and withdrew the locomotives which were lent to that country.

Subsequently several Zimbabwean ministers came out of the blue with wild talk about South Africa getting ready to attack Zimbabwe. There were allegations, also made by Robert Mugabe himself, that South Africa had trained about 5,000 soldiers for this and with the specific purpose of committing economic sabotage and other subversive actions.

These accusations were recently repeated by Mugabe in a letter which he sent personally to President Reagan. He also accused South Africa of wanting to commit "naked aggression" against Zimbabwe.

Le Grange's warning about the terrorists followed this...shortly after the Mugabe government announced that he was going to provide offices in Salisbury for the ANC. Zimbabwe's reaction to this was that any attack by South Africa would lead to "a fight to the death."

President Reagan has reasons for being concerned about the relations between South Africa and Zimbabwe; however, he must realize that South Africa's policy, as repeatedly asserted by the prime minister, is to live in peace with its neighbors and to conclude nonaggression treaties with them.

7954

CSO: 4701/12

SOWETO COUNCIL TO CONSIDER ASSUMING JUDICIAL POWERS

Johannesburg THE CITIZEN in English 1 Aug 81 p 10

[Text] The Soweto Council elected a sub-committee at its monthly meeting on Thursday to investigate the feasibility of taking over judicial powers in the township.

Its members are Mr S.Hanyana (convenor), Mr S.S. Mahlangu, Mr E. Manyosi, Mr I.Mashike and Mr D.Ntonjeni, with the council chairman, Mr David Thebehali, and his deputy, Mr T.Makhaya, serving as ex-officio members.

The election of the committee, which is to report back at the end of August, follows a letter received earlier by the council from the Commissioner for Co-operation and Development asking it to consider taking over the functions of criminal courts in the Soweto townships.

Mr Makhaya, who presided at the meeting, warned that he would not like to see a makgotla-type court being duplicated in Soweto. However, it deserved proper study.

He suggested the judicial authority be accepted in principle and a letter be sent to the commissioner advising him the matter was still under consideration.

Mr Mahlangu warned that the acceptance of judicial powers could lead to hatred and enmity between the people and the council, as well as to attacks on councillors.

If judicial powers are conferred on the council, wards in the townships will be divided into 4 500 families to a court.--Sapa

CSO: 4700/305

## SOUTH AFRICA

### PLANS FOR LESSENING COUNTRY'S DEPENDENCY ON FOREIGN OIL DISCUSSED

Capetown DIE BURGER in Afrikaans 8 Jul 81 p 13

[Text] At least a new SASOL [South African Coal Oil and Gas Corporation] installation (SASOL IV) will have to be built within the next few years to insure that South Africa will not be increasingly dependent on imported crude oil.

This is the opinion of two energy experts who yesterday held lectures at the energy congress of the International Association of Commerce and Economy Students at the University of Capetown.

Dr A. Geertsema, the chief processing engineer at SASOL, said that planning for a new SASOL, on the same scale as SASOL II and SASOL III, will probably start in the mid-eighties. He added that it would be welcomed if other enterprises entered the field of coal-to-oil production.

Dr Geertsema said that SASOL is the only oil-from-coal installation which has proven to be commercially viable and it is playing a key role in the energy strategy of South Africa. He said that although oil makes up less than 25 percent of the country's energy requirements it is being used in strategic sectors. South Africa's energy policy must be aimed at further lessening the country's dependency on imported oil.

Dr R. H. Scott, director of energy planning of the Department of Mineral and Energy Affairs, told the congress that if the country wants to supply between 60 and 70 percent of its own energy requirements in the years 1990 to 1995 three new SASOLs of the same size of SASOL II or SASOL III must be built. After 1995 such installations must be built every 3 years in order to maintain the same level of independence.

#### Tax Rate

Another alternative is to set up not as new coal-to-oil plants, which together with new petroleum products such as ethanol, methanol and alcohol could manage the balance of South Africa's independence from imported oil.

Dr Scott also announced that because of the increasing consumption of diesel fuel his department is investigating the possibility of putting lighter diesel fuel on the market. He said that the increasing demand for diesel could lead to greater oil imports.

Dr Scott said that 95 percent of the diesel sales are made to agriculture at a reduced tax rate. He raised the question of whether it wouldn't be preferable to subsidize products other than diesel, which is a strategic commodity.

Referring to the export of coal Dr Scott said that this is a realistic arrangement between the requirements to conserve the country's energy resources and the requirements for earning foreign currency. A 1980 survey showed that South Africa's coal reserves are conservatively estimated at about 110,000 million tons of exploitable coal. The survey predicted that the demand for coal for internal consumption up to the year 2020 will total to about 12,700 million tons.

7964

CSO: 4701/12

## SOUTH AFRICA

### BRIEFS

BAN ON MWASA PRESIDENT--King William's Town--The national president of the Media Workers' Association of South Africa was served with a two-year banning order yesterday restricting him to the magisterial district of King William's Town. Mr Charles Nqakula (38), a senior journalist with the Daily Dispatch, has covered Ciskei politics extensively. The South African Security Police have questioned him on several occasions and he was detained for some time last year. A colleague who worked with him for several years said yesterday that people of his calibre were rare to come by. [Text] [Johannesburg THE CITIZEN in English 1 Aug 81 p 2]

KAGISO RENT INCREASES--Civic leaders of Kagiso township have been shocked by attacks on them for having approved rent increases which come into effect today. Rents in Kagiso, near Krugersdorp, are to be increased by an additional R5,70c a month for a four-roomed house. This will bring the rents up to R18,41c from today compared with the R30 a month rents Soweto residents have to pay. Soweto and all Black townships on the West Rand fall under the West Rand administration Board's authority. Throughout this week some residents of Kagiso have been holding public meetings to protest against the proposed increases, which they felt were going to cause additional financial burdens on the residents after bread prices and bus fares have already been increased. [Excerpt] [Johannesburg THE CITIZEN in English 1 Aug 81 p 13]

AID TO MOZAMBIQUE--South African engineers, using machinery from South Africa, have got a Mozambique sugar factory back into production by repairing a vital boiler. The South Africans were called in to the sugar mill at Marroneu on the banks of the Zambezi because of their advanced knowledge of sugar refining equipment. The mill is now expected to reach its production target of 80 000 tons of refined sugar from cane grown on the adjoining Sena sugar estates. The Star, July 2 [Text] [Johannesburg THE CITIZEN in English 10 Jul 81 p 6]

CSO: 4700/305

# GOVERNMENT BUILDING PLANS REPORTED

## Nine Projects in Salisbury

Salisbury THE FINANCIAL GAZETTE in English 10 Jul 81 p 7

[Text]

APART from the well-publicised \$12.75 million second "Earl Grey" building currently under construction on the corner of Fourth Street and Central Ave., the Government is planning to spend at least another \$20 million on new construction in Salisbury in the coming year.

According to *The Financial Gazette's* sister magazine, *Development*, the ZIMCORD success has spurred widespread Government development throughout the country.

In Salisbury, said the magazine, there are nine major Government projects not including the new Earl Grey type office bloc.

These include:

### NIB

- The building of a new National Identification Bureau adjacent to the present National Registration Bureau near the KG VI headquarters off Borrowdale road. The new building will cost \$350 000 and is due for

completion this month.

- A completely new headquarters for the Zimbabwe Air Force also being built near KG VI at a cost of \$500 000.
- \$1.25 million is to be spent on single-storey "emergency" office accommodation for about 900 civil servants behind the existing Drill Hall on Moffat Street. Work has already started preparing the site which will consist of four, one-storey blocks. The buildings will use pre-cast concrete, and although no contract has yet been signed, the Government hopes to close the tender within two weeks and occupy the buildings by the end of the year.

### DEPOT

- A \$1.8 million Army vehicle repair and service complex on the outskirts of Salisbury. The first phase of the complex is expected to be completed in September. There are five

phases to the complex, which should be totally completed in five years.

- The new 250-bed Chitungwiza General Hospital estimated to cost about \$3.5 million is due to be completed in 1982.
- A \$2.38 million housing camp for the Zimbabwe Republic Police at Chitungwiza will also be built and should be completed in 1982.
- Government is also planning to build a \$1.1 million police station to serve the whole of Chitungwiza. It too should be completed by 1982.
- A Zimbabwe Republic Support Unit complex at Chikurubi, also to be completed by the middle of 1982 should cost in the neighbourhood of \$7 million.

In addition, Government has more than 60 other building contracts out to provide housing and office accommodation for Government departments throughout the country.

## Plans Increase

Salisbury THE FINANCIAL GAZETTE in English 17 Jul 81 pp 1, 7

[Text]

**The total value of building plans approved throughout the country in the first four months of 1981 increased by nearly \$9 million over the same period last year. Total building plans approved in Zimbabwe amounted to \$47,7 million for the period from January to April this year compared with \$38,8 million for the corresponding period in 1980.**

Salisbury, of course, led all the other municipalities in the total value of building plans approved. A little more than \$25 million in plans were approved by the municipality during the period compared with \$23,1 million in 1980.

### **BIG JUMP**

It was Bulawayo, however, that showed the greatest increase in the value of building plans approved. More than \$11,6 million in plans were approved in the first four

months of this year, a huge jump over the \$8,5 million approved in 1980.

Gwelo municipality approved plans of \$2,4 million compared to \$1,4 million for the same period last year.

Fort Victoria registered a small increase, from \$217 000 in 1980 to \$513 000 this year.

Not all the municipalities registered an increase in building plans. Umtali dropped from \$795 000 to \$435 000. Que Que and Redcliff dropped more than a million, from \$2 857 million to \$1 713 million.

Residential plans made up the lion's share of the national total. More than \$20,7 million in residential plans were approved during the period. Commercial plans increased to \$6,4 million from \$4,6.

The value of industrial plans dropped slightly from \$10,8 million to \$10,4 million.

CSO: 4700/306



RESULTS OF BY-ELECTION SIGNAL FAILURE OF NEGATIVE POLICIES

Salisbury THE HERALD in English 17 Jul 81 p 2

[Editorial: "Negative Policies Failed"]

[Text]

THE by-elections in which the Democratic Party failed to gain seats in Parliament deserve some examination. It would be unwise to see the re-election of Republican Front candidates as a vote of confidence in the party as the expression of white opinion in the House of Assembly. It was rather a vote of no confidence in the DP as an alternative, or in the candidates as individuals.

Mr Holland started with distinct disadvantages. Any man who switches parties renders his political reputation suspect. Even Winston Churchill suffered years in the political wilderness when he changed his allegiance. However, it was possibly the tone of Mr Holland's campaign which denied him the support he needed.

He criticised, in very strong terms, his former leader and the policies of the RF, and many voters must have wondered why this disenchantment with a party of which he had been a member for so long manifested itself only in recent months.

Mr Holland, in choosing to attack his former colleagues, neglected an important advertising dictum: It is better to let the public know the strengths of one's own product than denigrate one's competition. Mr Holland's campaign took on an increasingly negative note as polling day neared, culminating with his television appearance. His remarks about "that tired old party" were not balanced by positive elements likely to appeal to the electorate.

In a further television programme — a welcome return to political discussion after the censorship of the RF — Mr Colin Mercer can be said to have lost the contest then. To have allowed the RF candidate to accuse the DP of causing racial hatred, without hitting back with the obvious rejoinder, was fatal. In fact, Mr Mercer's lacklustre performance and inability to answer, and even understand, questions, was a shock to those who had not met him. On this showing he was hardly the man to represent white interests in the hurly burly of parliamentary debate.

But perhaps the DP lost because it was a party of people dissatisfied with the RF — not a party with a believable alternative. It might have been better if Mr Holland and Mr Mercer had grasped the nettle and joined ZANU (PF).

So history repeated itself, for this country's white electorate have tended to follow one banner at a time — as the UFP enjoyed almost total support for so long, so the RF seems to enjoy it now.

Yet there are many whites who are unhappy with the RF, and who cannot find a party or individuals to represent their views in Parliament. Dr Timothy Stamps has joined the ruling party. Should this be the road for others who seek to break the RF control of white opinion in the House of Assembly?

CSO: 4700/306

## STATISTICAL TABLES ON INVESTMENT PUBLISHED

## Tables Explained

Salisbury THE FINANCIAL GAZETTE in English 17 Jul 81 pp 17, 8, 11, 12, 13, 15, 17, 14, 21

[Text]

**THE tables produced in this survey of industrial companies quoted on the Zimbabwean Stock Exchange should enable a potential investor to make a reasonable assessment of a company's position compared to others ranked.**

No one table provides a complete assessment of a company's investment worthiness. However, taken together they provide the investor with a means of comparison which will allow a decision to purchase to be based on more rational grounds than an acquaintance with the managing director or a "feeling" that retail shares are likely to show more growth and a better return than engineering counters.

#### MARKET PLACE

In the final analysis, the stock exchange is a market place, and subject to the same laws of supply and demand as other commodities — however irrational this may seem at times.

The main table used to rank the 55 companies is *net earnings*. This displays the money accruing to the company after tax and before extraordinary items. It is one of the indicators of size.

*Turnover* shows the amount of money receivable by the company, and is another way of showing the size of a company's operation. Note that the top ten in turnover are not necessarily the top ten in net earnings.

#### RETAINED TURNOVER

*Net earnings to turnover* shows how much of the turnover a company has managed to retain for net earnings, expressed as a percentage. In a sense, it is an indication of the company's ability to keep, in the case of Portland Holdings, 35,7 cents in each dollar earned. However, different companies and sectors trade in different ways, and the retail trade traditionally works on low profits and high turnover.

This is a useful indicator, which must be read with other factors.

*Net worth* is another indicator of size — adding up a company's assets and deducting liabilities. The simple method used here is to take share capital and reserves as indicating net worth.

*Return on shareholders equity* is an indication of profitability, relating the net earnings, to shareholders' equity. It shows how much of the capital invested is earned in a year. CIH, for instance, on last year's performance would earn its capital in two years. There are other factors to

be borne in mind, however, as some companies are capital intensive and need to earn more net profit than others to reach the point of paying a dividend to shareholders.

*Market capitalisation* is the theoretical value of the total shareholding, based on the price on the market on June 30. This also gives a theoretical value of a company's share of the total invested in the industrial share market, expressed as a percentage.

### INDICATOR

*Price/asset rates of shares* is a way of assessing the market value of a share on June 30, with the balance

sheet value of the share. It is the ratio of the current price per ordinary share to its net asset value. It is an indication that a share is under or over valued against its value in the company's books.

*Share price changes over the year* are an indicator of the change in the market value of counters over a very unusual year. It is merely the market values at given dates and the percentage of change. However, it is interesting to see that some shares have appreciated while others have lost value — particularly since this is not always related to a company's actual financial performance.

## Net Earnings

**NET earnings has been used as the premier ranking for the Top Companies survey. This is profit after tax and minority shareholders have been deducted, but before extraordinary items.**

**Delta heads the list with a clear 200% plus lead over Natfood at number two.**

What is significant is that the overwhelming majority of companies have returned vastly improved results. Of those who have published recent reports, only Rhodall shows a decline in net earnings. There are many who feel that this counter should be placed under minings.

Company	Rank	Net Earnings		Latest available annual report
		Latest	Previous year	
Delta .....	1	11 309 000	8 260 000	March 81
Nat Food.....	2	5-719 000	4 522 000	March 81
D. Whitehead.....	3	5 048 000	3 330 000	Sept 80
TA Hold.....	4	4 465 000	3 288 000	May 80
PGI.....	5	4 217 000	2 194 000	March 81
Dunlop .....	6	3 891 000	2 783 000	Dec 80
Rhodall.....	7	3 578 000	5 938 000	March 81
Zimbank.....	8	3 543 000	3 075 000	Sept 80
Hunyani.....	9	3 239 000	2 664 000	See note
Art.....	10	2 790 000	2 013 000	Dec 80
Hippo.....	11	2 713 000	(579 000)	March 80
Afdis.....	12	2 634 000	1 397 000	March 81
Mash.....	13	2 561 347	1 300 004	March 81
TSL.....	14	2 553 553	1 537 077	Oct 80
RAL.....	15	2 118 000	1 775 000	Dec 80

Cairns .....	16	2 009 000	1 293 000	March 81
Cafca .....	17	1 744 200	1 200 400	June 80
Rothmans .....	18	1 729 807	1 363 816	March 81
BAT .....	19	1 542 000	1 148 000	Sept 80
CIH .....	20	1 421 000	724 000	Dec 80
SPC .....	21	1 389 000	817 000	Nov 80
J & F .....	22	1 377 000	997 000	Feb 81
Caps .....	23	1 335 000	854 000	March 81
Agricor .....	24	1 265 000	991 000	June 80
Edgars .....	25	1 235 000	877 000	July 80
Clotex .....	26	1 166 000	842 000	Dec 80
Merlin .....	27	1 066 000	747 000	March 81
Gulliver .....	28	1 050 000	208 000	March 81
Clan .....	29	1 007 000	551 000	Dec 80
Portland Holdings .....	30	896 777	632 599	Aug 80
P & C .....	31	868 194	469 202	Dec 80
Abercal .....	32	847 000	549 000	June 80
Rescco .....	33	791 141 <sup>5</sup>	767 853 <sup>6</sup>	See note
PP Cement .....	34	773 822	551 942	Aug 80
Zimbus .....	35	720 043	569 931	Dec 80
Morewear .....	36	699 000	(548 000)	June 80
Border .....	37	678 000	(237 000)	March 80
Zimpapers .....	38	672 244	583 584	Dec 80
Gatex .....	39	664 700 <sup>7</sup>	570 000 <sup>8</sup>	See note
Tedco .....	40	601 000	40 000	Sept 80
Tanganda .....	41	588 000	131 000	Aug 80
Tinto Industries .....	42	563 000	96 000	Dec 80
LHL .....	43	543 015	248 160	June 80
RSR .....	44	520 000	239 000	Sept 80
Rhoplow .....	45	506 900 <sup>9</sup>	85 100 <sup>10</sup>	See note
Rhotreads .....	46	393 866	253 168	Sept 80
Radar .....	47	366 000	257 000	March 80
Capri .....	48	306 300	46 200	June 80
Kingstons .....	49	274 771	264 730	Feb 80
Northchart .....	50	274 699	156 068	Sept 80
H & S .....	51	242 164	137 260	Feb 81
Truworths .....	52	218 000	270 000	June 80
Schweppes .....	53	170 968	250 601	Dec 80
Wilbrick .....	54	153 489 <sup>11</sup>	209 651 <sup>12</sup>	See note
Maceys .....	55	23 182	61 788	March 80

Notes: 1 — Unaudited, 3 — 15mths to Sept 79, 4 — 12mths to Sept 30, 80, 5 — 8mths to Feb 81, 6 — 12mths to June 80, 7 — 12mths to Dec 80, 8 — 9mths to Dec 79, 9 — 17mths to March 81, 10 — 12mths to Oct 79, 11 — 9mths to June 80, 12 — 12mths to Sept 79.

# TURNOVER

Company	Rank	Latest	Previous Year
DELTA.....	1	134 096 000	89 526 000
NATFOOD.....	2	102 660 000	74 322 000
TA HOLD.....	3	80 601 000	46 886 000
RHODALL.....	4	44 500 000	42 000 000
PGI.....	5	41 453 000	25 105 000
D. W/HEAD.....	6	35 257 000	28 097 000
RSR.....	7	30 561 000	26 669 000
DUNLOP.....	8	28 315 000	20 380 000
HIPPO.....	9	27 987 000	23 020 000
HUNYANI.....	10	25 245 000	18 685 000
AFDIS.....	11	23 061 000	16 530 000
GULLIVER.....	12	21 925 000	15 900 000
ART.....	13	20 859 000	16 026 000
ROTHMANS.....	14	20 709 993	16 768 433
CAPS.....	15	19 420 000	13 381 000
MASH.....	16	19 064 949	12 612 234
CIH.....	17	17 523 000	12 878 000
AGRICOR.....	18	15 664 000	11 341 000
TSL.....	19	15 562 799	9 273 000
BAT.....	20	15 485 000	12 707 000
CAIRNS.....	21	15 462 000	14 421 000
J & F.....	22	14 057 000	9 576 000
EDGARS.....	23	13 596 000	11 064 000
CLOTEX.....	24	12 654 000	10 232 000
ZIMPAPERS.....	25	12 438 660	9 713 214
SPC.....	26	10 998 000	8 010 000
IHL.....	27	10 809 777	8 066 146
MACEYS.....	28	10 674 633	10 437 076
MERLIN.....	29	10 158 000	7 825 000
TINTO IND.....	30	9 792 000	5 819 000
ABERCAL.....	31	9 711 000	6 700 000
ZIMBUS.....	32	9 573 978	7 163 803
MOREWEAR.....	33	9 049 000	6 729 000
RHOTREADS.....	34	8 750 000	6 553 000
P & C.....	35	8 451 310	4 465 309
BORDER.....	36	8 439 000	2 232 000
GATEX.....	37	8 121 800	5 064 600
TEDCO.....	38	8 039 000	5 910 000
CLAN.....	39	7 922 000	5 425 000
H & S.....	40	7 821 820	6 455 717
TANGANDA.....	41	7 733 000	6 548 000
RADAR.....	42	7 584 000	6 776 000
CAPRI.....	43	6 989 200	4 022 000
RESCCO.....	44	5 294 000	7 409 000
TRUWORTHS.....	45	4 653 000	4 241 000
KINGSTONS.....	46	4 464 229	3 997 252
PORTLAND HOLD...	47	2 512 716	2 684 550
NORTHCHART.....	48	2 347 163	1 555 684
WILBRICK.....	49	2 244 513	2 873 071

Turnover was not disclosed in their annual reports by  
Cafca, P P Cement, RAL, Rhoplrow, Schweppes,  
and Zimbunk.

# NET WORTH

Net worth means issued share capital (ordinary and preference) plus capital and revenue reserves and excludes any deferred taxation.

Company	Rank	Net worth	
		Latest	Previous year
DELTA.....	1	76 684 000	68 736 000
RHODALL.....	2	53 900 000	47 252 000
HIPPO.....	3	35 344 000	33 881 000
NATFOOD.....	4	31 029 000	27 805 000
D. W/HEAD.....	5	26 950 000	23 644 000
TA HOLD.....	6	25 596 000	19 529 000
BORDER.....	7	24 047 000	(222 000)
HUNYANI.....	8	23 077 000	21 166 000
DUNLOP.....	9	20 142 000	18 484 000
ZIMBANK.....	10	20 045 000	18 185 000
ART PRINTERS.....	11	18 056 000	13 639 000
PGI.....	12	16 091 000	13 919 000
RAL.....	13	14 022 000	12 817 000
SPC.....	14	12 670 000	11 439 000
TSL.....	15	11 520 028	6 714 800
ROTHMANS.....	16	11 483 225	10 479 334
CAIRNS.....	17	11 061 000	9 925 000
MASH.....	18	10 247 039	8 387 362
P P CEMENT.....	19	10 173 518	10 051 390
PORTHOLD.....	20	10 157 271	9 885 413
BAT.....	21	10 072 000	8 807 000
CAPS.....	22	8 094 000	4 997 000
AFDIS.....	23	7 888 000	6 485 000
J & F.....	24	7 756 000	7 142 000
TANGANDA.....	25	7 629 000	6 258 000
CLOTEX.....	26	7 117 000	6 396 000
ZIMBUS.....	27	6 386 842	5 700 235
GULLIVER.....	28	6 280 000	5 644 000
AGRICOR.....	29	6 108 000	
MOREWEAR.....	30	5 884 000	5 235 000
ZIMPAPERS.....	31	5 870 282	5 826 038
CAFCA.....	32	5 571 400	5 147 200
ABERCAL.....	33	5 186 000	3 874 000
RSR.....	34	5 122 000	4 849 000
GATEX.....	35	5 057 500	4 698 000
TEDCO.....	36	4 920 000	4 572 000
MERLIN.....	37	4 603 000	2 421 000
IHL.....	38	4 591 740	4 392 475
RESCCO.....	39	4 577 000	4 220 000
EDGARS.....	40	4 401 000	3 783 000
CLAN.....	41	4 033 000	3 814 000
RADAR.....	42	3 579 000	2 681 000
MACEYS.....	43	3 081 631	3 058 449
TINTO IND.....	44	3 053 000	2 490 000
RHOTREADS.....	45	2 860 368	2 723 046
P & C.....	46	2 771 015	2 021 161
SCHWEPPE.....	47	2 766 683	2 614 942
CIH.....	48	2 601 000	1 180 000
KINGSTONS.....	49	2 503 087	2 448 816
WILBRICK.....	50	2 489 603	2 336 114
TRUWORTHS.....	51	2 403 000	
H & S.....	52	2 338 412	2 230 192
CAPRI.....	53	1 806 900	1 652 800
RHOLOW.....	54	1 698 000	1 401 000
NORTHCHART.....	55	1 354 572	1 254 435

## NET EARNINGS TO TURNOVER (%)

<i>Company</i>	<i>Rank</i>	<i>Net earnings to turnover (%)</i>
PORTLAND HOLD.....	1	35,7%
TSL.....	2	16,4%
RESCCO .....	3	14,9%
D. W/HEAD.....	4	14,3%
DUNLOP.....	5	13,7%
ART.....	6	13,4%
MASH.....	6	13,4%
CAIRNS.....	7	13,0%
HUNYANI.....	8	12,8%
CLAN.....	9	12,7%
SPC.....	10	12,6%
NORTHCHART .....	11	11,7%
AFDIS.....	12	11,4%
MERLIN .....	13	10,5%
P & C.....	14	10,3%
PGI.....	15	10,2%
BAT .....	16	10,0%
J & F.....	17	9,8%
HIPPO.....	18	9,7%
CLOTEX.....	19	9,2%
EDGARS.....	20	9,1%
ABERCAL.....	21	8,7%
DELTA.....	22	8,4%
ROTHMANS.....	22	8,4%
GATEX.....	23	8,2%
AGRICOR.....	24	8,1%
CIH.....	24	8,1%
BORDER.....	25	8,0%
RHODALL.....	25	8,0%
MOREWEAR.....	26	7,7%
TANGANDA.....	27	7,6%
TEDCO.....	28	7,5%
ZIMBUS.....	28	7,5%
CAPS.....	29	6,9%
WILBRICK.....	30	6,8%
KINGSTONS.....	31	6,2%
TINTO IND.....	32	5,7%
NAT FOOD.....	33	5,6%
TA HOLD.....	34	5,5%
ZIMPAPERS.....	35	5,4%
IHL.....	36	5,0%
GULLIVER.....	37	4,8%
RADAR.....	37	4,8%
TRUWORTHS.....	38	4,7%
RHOTREADS.....	39	4,5%
CAPRI.....	40	4,4%
H & S.....	41	3,1%
RSR.....	42	1,7%
MACEYS.....	43	0,2%



# RETURN ON SHAREHOLDER'S EQUITY

Return on shareholders equity means earnings attributable to equity shareholders expressed as a percentage of ordinary share capital.

<i>Company</i>	<i>Rank</i>	<i>%</i>
CIH .....	1	54,6%
AFDIS .....	2	33,8%
CAFCA .....	3	31,3%
P & C .....	3	31,3%
RHOPLW .....	4	29,9%
EDGARS .....	5	28,1%
PGI .....	6	26,2%
CLAN .....	7	25,0%
MASH .....	7	25,0%
MERLIN .....	8	23,2%
TSL .....	9	22,2%
AGRICOR .....	10	20,7%
NORTHCHART .....	11	20,3%
DUNLOP .....	12	19,3%
J & F .....	13	19,1%
D. W/HEAD .....	14	18,8%
NATFOOD .....	15	18,4%
TINTO IND. ....	15	18,4%
CAIRNS .....	16	18,2%
ZIMBANK .....	17	17,7%
TA HOLD. ....	18	17,4%
RESCCO .....	19	17,3%
CAPRI .....	20	17,0%
GULLIVER .....	21	16,7%
CAPS .....	22	16,5%
CLOTEX .....	23	16,4%
ABERCAL .....	24	16,3%
ART .....	25	15,5%
BAT .....	26	15,3%
RAL .....	27	15,1%
ROTHMANS .....	27	15,1%
DELTA .....	28	14,7%
HUNYANI .....	29	14,0%
RHOTREADS .....	30	13,8%
GATEX .....	31	13,1%
TEDCO .....	32	12,2%
MOREWEAR .....	33	11,9%
IHL .....	34	11,8%
ZIMPAPERS .....	35	11,5%
ZIMBUS .....	36	11,3%
KINGSTONS .....	37	11,2%
SPC .....	38	10,9%
H & S .....	39	10,4%
RADAR .....	40	10,2%
RSR .....	40	10,2%
TRUWORTHS .....	41	9,1%
PORTLAND HOLD. ....	42	8,8%
TANGANDA .....	43	7,7%
HIPPO .....	43	7,7%
P P CEMENT .....	44	7,6%
RHODALL .....	45	6,6%
SCHWEPPES .....	46	6,2%
WILBRICK .....	46	6,2%
BORDER .....	47	2,8%
MACEYS .....	48	0,8%

# MARKET CAPITALISATION

Company	Rank	* Market capitalisation	% of total Zim stock exchange market capitalisation
DELTA.....	1	74 858 400	12,26%
DUNLOP.....	2	34 800 000	5,70%
HIPPO.....	3	33 550 440	5,50%
NATFOOD.....	4	31 772 750	5,21%
ZIMBANK.....	5	29 499 952	4,83%
HUNYANI.....	6	24 680 454	4,04%
PGI.....	7	22 426 497	3,67%
D. W/HEAD.....	8	21 716 750	3,56%
ART PRINTERS.....	9	19 406 771	3,18%
RHODALL.....	10	18 750 000	3,07%
BAT.....	11	18 000 000	2,95%
AFDIS.....	12	17 144 338	2,81%
RAL.....	13	16 758 720	2,75%
EDGARS.....	14	16 650 000	2,73%
TA HOLD.....	15	15 011 640	2,46%
BORDER.....	16	14 360 333	2,35%
CAFCA.....	17	13 500 000	2,21%
AGRICOR.....	18	13 283 900	2,18%
CAPS.....	19	13 085 626	2,14%
CAIRNS.....	20	11 593 750	1,90%
SPC.....	21	10 000 000	1,64%
ROTHMANS.....	22	9 912 000	1,62%
MASH.....	23	9 125 431	1,5%
PP CEMENT.....	24	7 298 978	1,20%
J & F.....	25	7 224 879	1,18%
ABERCAL.....	26	6 884 190	1,13%
RESCCO.....	27	6 872 775	1,13%
RADAR.....	28	6 341 580	1,04%
CLAN.....	29	6 080 640	1,0%
PORTLAND HOLD...	30	6 074 267	1,0%
MERLIN.....	31	5 447 919	0,89%
IHL.....	32	5 312 500	0,87%
P & C.....	33	5 132 468	0,84%
GULLIVER.....	34	5 080 727	0,83%
CLOTEX.....	35	4 650 000	0,76%
TSL.....	36	4 340 405	0,71%
GATEX.....	37	4 069 230	0,67%
TEDCO.....	38	3 865 225	0,63%
CIH.....	39	3 765 240	0,62%
TRUWORTHS.....	40	3 384 000	0,55%
RHOTREADS.....	41	3 046 554	0,50%
TANGANDA.....	42	2 891 520	0,47%
TINTO IND.....	43	2 880 000	0,47%
ZIMPAPERS.....	44	2 400 000	0,39%
CAPRI.....	45	2 240 453	0,37%
MOREWEAR.....	46	2 036 789	0,33%
NORTHCHART.....	47	2 024 779	0,33%
KINGSTONS.....	48	2 000 000	0,33%
ZIMBUS.....	49	1 814 400	0,30%
RSR.....	50	1 762 500	0,29%
RHOLOW.....	51	1 575 000	0,26%
H & S.....	52	1 425 000	0,23%
WILBRICK.....	53	1 064 736	0,17%
MACEYS.....	54	771 300	0,13%
SCHWEPPEs.....	55	738 513	0,12%
TOTAL		610 384 319	100,0%

\* Total number of issued and fully paid ordinary shares multiplied by the market price at June 30.

# SHARE PRICE CHANGES 1980 - 1981

<i>Company</i>	<i>1980</i>	<i>1981</i>	<i>Change of mid-share price over the period July 1, 1980, to June, 30, 1981</i>
Capri.....	90	225	150.0%
Radar.....	50	90	80.0%
C I H.....	20	36	80.0%
J & F.....	62	110	77.4%
Border.....	75	125	66.7%
Tedco.....	21	35	66.7%
Tinto Ind.....	22	36	63.6%
Rhoplow.....	100	150	50.0%
P P Cement....	200	280	40.0%
H & S.....	70	95	35.7%
Clan.....	118	160	35.6%
Maceys.....	14	18	28.6%
Caps.....	172	220	27.9%
Cairns.....	137	175	27.7%
Gatex.....	63	80	27.0%
IHL.....	67	85	26.9%
Edgars.....	302	370	22.5%
BAT.....	245	300	22.4%
Rhotreads.....	52	62	19.2%
Gulliver.....	64	73	14.1%
PGI.....	265	300	13.2%
RAL.....	315	330	4.8%
Morewear.....	35	35	0
Art Printers....	155	155	0
Hippo.....	143	140	-2.1%
Afexcor.....	83	80	-3.6%
Rothmans.....	185	177	-4.3%
Mash.....	133	125	-6.0%
Clotex.....	80	75	-6.3%
Zimbank.....	435	400	-8.1%
Afdis.....	560	510	-8.9%
Rescco.....	210	190	-9.5%
Abercal.....	167	150	-10.2%
SPC.....	230	200	-13.0%
Merlin.....	52	45	-13.5%
D. W/head....	152	125	-17.8%
Portland Hold.	55	45	-18.2%
Cafca.....	580	450	-22.4%
RSR.....	65	50	-23.1%
Kingstons.....	275	200	-27.3%
Schweppes.....	255	185	-27.5%
Delta.....	510	360	-29.4%
P & C.....	160	110	-31.3%
Hunyani.....	150	100	-33.3%
Nat Food.....	146	95	-34.9%
Tanganda.....	117	75	-36.0%
Wilbrick.....	105	65	-38.1%
TA Hold.....	173	98	-43.3%
Rhodall.....	139	75	-46.0%
Zimbus.....	180	90	-50.0%
Zimpapers.....	245	100	-59.2%
TSL.....	420	120	-71.4%
Northchart....	85	22	-74.1%

**RATIO OF CURRENT  
ORDINARY SHARE  
PRICE TO BALANCE  
SHEET (NET ASSET)  
VALUE**

<i>Company</i>	<i>Balance sheet value of ord. shares (cents)</i>	<i>Actual price per ord. share at 30 June (cents)</i>	<i>Ratio</i>
Maceys.....	71,9	18	0,25
Schweppes.....	678,0	185	0,27
Zimbus.....	316,8	90	0,28
RSR.....	145,3	50	0,34
Morewear.....	101,1	35	0,35
Rhodall.....	215,6	75	0,35
TSL.....	318,5	120	0,38
Tanganda.....	197,9	75	0,38
Zimpapers.....	244,6	100	0,41
Wilbrick.....	151,9	65	0,43
Border.....	209,3	125	0,59
TA Hold.....	167,1	98	0,59
Portland Hold.....	75,2	45	0,59
H & S.....	155,9	95	0,61
Clotex.....	114,8	75	0,65
PP Cement.....	390,3	280	0,72
Tedco.....	44,6	35	0,78
SPC.....	253,4	200	0,79
Gatex.....	99,4	80	0,80
Gulliver.....	90,2	73	0,81
D W/Head.....	154,5	125	0,81
Kingstons.....	240,3	200	0,83
Rothmans.....	205,1	177	0,86
Mash.....	140,4	125	0,89
Rhoplow.....	161,7	150	0,93
Tinto Ind.....	38,2	36	0,94
Hippo.....	147,5	140	0,95
Delta.....	368,8	360	0,98
J & F.....	107,4	110	1,02
Natfood.....	92,8	95	1,02
Cairns.....	166,9	175	1,05
Hunyani.....	93,5	100	1,06
ART.....	144,2	155	1,07
Rhotreads.....	58,2	62	1,07
IHL.....	73,5	85	1,16
Merlin.....	38,0	45	1,18
RAL.....	276,1	330	1,19
Capri.....	181,5	225	1,24
Abercal.....	112,9	150	1,33
PGI.....	215,2	300	1,39
Truworhs.....	66,8	94	1,40
CIH.....	24,9	36	1,45
Zimbank.....	271,8	400	1,47
Northchart.....	14,7	22	1,49
RESCCO.....	126,5	190	1,50
Clan.....	106,1	160	1,51
CAPS.....	136,1	220	1,62
Dunlop.....	83,9	145	1,73
Radar.....	50,8	90	1,77
BAT.....	167,9	300	1,79
P & C.....	59,4	110	1,85
Agricor.....	49,7	108	2,17
Afdis.....	230,9	510	2,21
Cafca.....	185,7	450	2,42
Edgars.....	97,8	370	3,78

## Reluctance of Companies

Salisbury THE FINANCIAL GAZETTE in English 10 Jul 81 p 4

[Editorial: "Public Company Paranoia"]

[Text]

**PARANOIA** is described in the dictionary as a delusion of persecution — which, as one wit put it "is how *you* would feel if everyone was out to get you."

It is a psychological condition that has affected many individuals and organisations in this country in the past. One government entered such a pathological state that anyone who disagreed with it was dubbed unpatriotic.

Happily, that phase has passed, but the disorder is reappearing in a most unexpected quarter — the carpeted corridors of power of some public companies.

This paper is preparing its annual Top Companies survey — a review of the performance of industrial and mining concerns quoted on the Zimbabwean Stock Exchange. It is an opportunity for this vital sector to beat its drum vigorously, demonstrating to those in power the essential wealth-creating and wealth-distributing role it plays in Zimbabwe.

Incredibly, some major companies are reluctant to speak to the press, pleading a wish to "keep a low profile". If ever there was a time when this defensive attitude should be put aside, it is now.

A defensive posture is a defeatist position, and public companies do not serve the interests of their shareholders or employees by naively believing that they can thrive by hiding their light under a bushel.

In a wide-ranging address to the CZI congress in Bulawayo last week, Mr John Robertson, chairman of the ACCOZ economics affairs committee, spoke out in no uncertain terms for private enterprise. His remarks were carefully considered and reinforced by his own research and that of international sources.

His outspoken and unequivocal address was not an apologia, but an exposition of the value of the private sector, and the problems that lie ahead.

His theme is echoed this week in an interview in *The Gazette* with Mr Charles Grader, US AID director in Zimbabwe.

Many times in this column we have had cause to remind the private sector that an upright stature will serve its purpose better than the low profiles of those who hope that things unpleasant will disappear if not publicly acknowledged.

No reputable company has anything to lose by a philosophy of candour. The lead given by such men as Mr Robertson and Mr Grader should be vigorously followed by those who imagine themselves to be captains of industry and commerce.

CZI CHIEF WARNS RATES HIKE WILL BREED INFLATION

Salisbury THE HERALD in English 31 Jul 81 p 3

[Text] Leaders of commerce and industry warned yesterday that Salisbury City Council's decision to increase rates on non-residential property by 68,55 percent is bound to add to inflation.

Mr Bert Yarwood, president of the Confederation of Zimbabwe Industry, said: "In no way could the industrialist take the rise in costs into account." It would mean increases across the board and while industry could absorb some of the cost, part of it would be passed on to the consumer.

"It is probably a very good incentive to the industrial sector to decentralise."

Industry was prepared to pay such increases if it could see an improvement in services offered by the council. Then there would be nothing to argue about, but one could imagine the outcry from consumers if producers raised their prices by such an amount.

However, the increase in industrial vehicle licence fees was fair and acceptable, said Mr Yarwood.

The president of the Salisbury Chamber of Commerce, Mr J.M. Cameron-Dow, said he had not yet had an opportunity to study the council budget in detail. "However, while the need to increase the vehicle licences is probably attributable to the maintenance of roads, the size of the increase on Class One vehicles (38,45 percent) appears excessive," he said.

Turning to the rise in rates Mr Cameron-Dow said: "The increase of 33,75 percent for residential property, coupled with the increase in mortgage rates announced some time ago will make it difficult for the house-owner and prospective purchaser to balance his budget."

CSO: 4700/306

## NO END IN SIGHT FOR INFLATION

Salisbury THE FINANCIAL GAZETTE in English 17 Jul 81 p 1

[Text]

**ZIMBABWE'S inflation rate reached 12,9% in April and hard-hit consumers can expect higher price rises during the rest of 1981.**

According to the RAL merchant bank's Executive Guide to the Economy, prices based on the all items consumer price index began to accelerate in December last year and continued to increase during the first quarter of this year.

"In April 1981, prices were an average of 6,9% higher than in December 1980, prices having risen 1% in January, 1,9% in February, 3% in March and 0,8% in April.

"Comparing prices in April 1981, with prices in April 1980, the all items consumer price index rose by 12,9%."

The guide to the economy went on to give a more detailed breakdown of the price increases. Drink and tobacco showed the largest increase, rising by 22% during the three months ending in April. Foodstuff increased by 5% and, the guide said, "the considerably higher weighting given to food in normal

household expenditure patterns probably meant that food price increases had an impact that was of far greater significance to average consumers."

There was no end in sight and prices would continue increasing during the rest of the year due mainly to excessive demand for basic consumer goods, higher wages and other input costs, and the anticipated removal or reduction of many Government subsidies.

"The principal food involved is maize meal, which consumers purchase at a real discount of about 53%, said the guide. "The real cost of producing a tonne of basic roller meal is \$184,90, the largest component of which is the price of maize to millers, \$137 a tonne.

"The millers sell a tonne of maize for \$84,40 and recover the balance of their costs as a subsidy from the Government amounting to \$98,50 a tonne."

Other products that benefit from Government subsidies include the maize

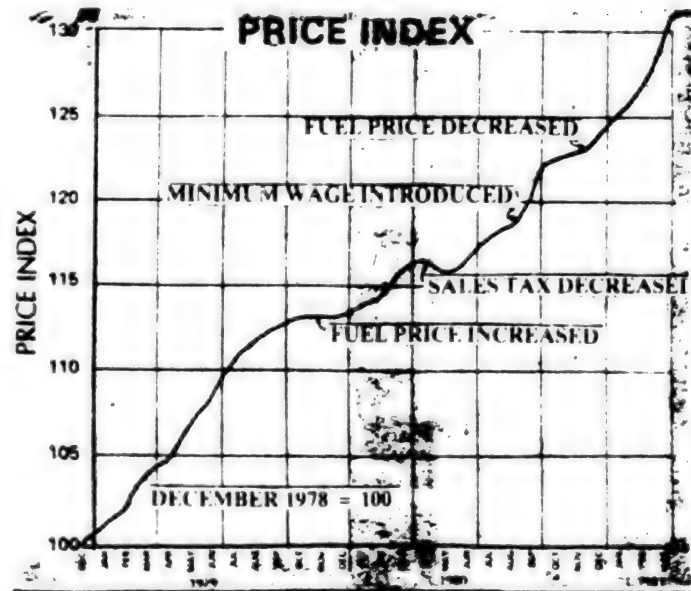
and sorghum used in opaque beer, sunflower oil and groundnut oil.

Higher mortgage rates, effective from the beginning of this month, will also add to inflation, as did the general increase in interest rates announced by the Reserve Bank in February.

Continuing high inflation rates in South Africa — Zimbabwe's largest trading partner — where raw material prices appear to be set for further price hikes will also aggravate the local inflation rate.

There is one bright note, however, says the executive guide. Overseas inflation rates will probably respond to dropping oil prices, and although petrol prices at the pump may not fall, Zimbabwe will benefit because of reduced procurement costs and smaller levels of imported inflation.

Zimbabwe will also benefit from dealing with countries whose currencies have dropped against the US dollar.





## COST OF BUS SUBSIDIES REPORTED

Salisbury THE FINANCIAL GAZETTE in English 17 Jul 81 p 5

[Text]

THE Bulawayo City Council is claiming a refund from the Government of nearly \$700 000 which it has already paid in subsidies to the Zimbabwe Omnibus Company up to the end of April — and it is now sending all further subsidy claims to the Government.

The total of these subsidy claims for the year will cost more than \$2m by the end of December unless the Government allows the Bulawayo City Council to increase bus fares by up to 2c. So far the Government has steadily refused to allow any increase in bus fares.

The losses incurred by ZOC in operating the bus services began last year when the bus company was faced with higher prices for vehicle chassis, no sales tax being refundable, new wage awards costing at least \$750 000 per annum, a strike in October 1980 and the ever increasing cost of spare parts, tyres and uniforms.

The company told the Bulawayo Council that it would forego up to \$76 000 in subsidies estimated to be due in 1980, but said if the subsidy exceeded that amount it would look to the council for pay-

ment in terms of its contract.

The council sought Government authority to increase Bulawayo bus fares by 2c. "urgently" in order to keep necessary fare increases as low as possible and paid subsidies on the company's losses up to the end of April.

At its meeting last week the Bulawayo City Council resolved to reclaim the amount of \$698 846 already paid in subsidies from the Government and also to continue to submit subsidy claims received from ZOC to the Government for payment.

Minutes of the meeting last week revealed that, in spite of "protracted" correspondence and a visit by the Mayor and council officials to Salisbury to discuss the matter with the Prime Minister, Mr Robert Mugabe, "nothing further had developed".

## COSTS

Meanwhile, the situation has deteriorated to "such an alarming extent" that if costs continued to rise and no fare increases were granted, the total subsidy due to the omnibus company would exceed \$2m by the end of this year, said the minutes.

"Contributory factors to these losses were the second disturbances in Entumbane in February this year and the subsequent curfew," said the minutes.

As this serious financial situation arose through the Government's refusal to authorise an increase in bus fares, the council had asked the Government to foot the bill "or to suggest ways and means of meeting the council's legal obligation" to pay the subsidy to the bus company.

The Minister of Local Government had promised a speedy solution to the problem but nothing had materialised.

The City Treasurer emphasised that the application for an increase of 2 cents in fares had been made in November 1980. Even if this was granted now it would only "ease" the financial position for the present. It would not make good the losses already incurred for the five months so far, said the minutes.

"We are still waiting for a solution. We cannot increase bus fares and we cannot pay the subsidy. So the matter still rests with Government," said Mr I.G. Edmeades, the Town Clerk.

BLACK MARKET BEEF SOLD IN BULAWAYO

Salisbury THE FINANCIAL GAZETTE in English 17 Jul 81 p 5

[Text]

**While Salisbury butchers are having to sack staff or even go out of business due to the shortage of beef and strictly controlled prices, a number of Bulawayo butchers are buying beef on the "open" market and ignoring price regulations.**

The black market in beef supplies, reported last month in the *Chronicle*, is possible because Bulawayo has an abattoir where butchers can send beasts which they buy from farmers for slaughter and so add to the beef supplies bought from the Cold Storage Commission. Prices charged are often above the controlled prices.

But Salisbury has no abattoir. If butchers buy cattle on the "open" market they have to be sent to Bulawayo or Gwelo for slaughtering which is not economic.

The second stage of the latest 20% cut in the CSC meat allocation quotas came into force. Butchers are now faced with a total 35% cut in their purchases of beef from the CSC as at June and July last year.

This has resulted in at least "three or four"

butchers going out of business in Salisbury recently and several others having to sack staff because they are not getting an economic return, said Mr W H Lashbrook, chairman of the Association of Meat Traders, this week.

He also said that many African butchers in urban areas who perform a service for their customers by staying open after normal business hours are now stopping this service.

"They just do not have enough meat to sell to make it worth while," said Mr Lashbrook. "It was a service to many customers who do not have refrigerators at home where they can keep meat fresh so it will be the customers who will suffer if they cannot buy meat on their way home."

Other butcher shops which serve the white sector of the community in Salisbury are curtailing delivery services, he said.

"With the meat shortages and present controlled prices which allow them little profit margin, all butchers are having a big struggle even to stay in business. So customers are not getting the extra service."

He said that a number of butchers in Salisbury and Bulawayo have left the trade this year to get other jobs or have even left the country.

NO FUTURE

"They cannot see any future as butchers now. Earlier this year I said that I believed about 50% of African and European butchers would be out of business within three months if rationing controlled prices on this scale were enforced — and now it is going that way."

A CSC spokesman last week said that the cut in beef quotas for butchers was the result of the reduced level of supplies of beef from producers. As supplies improved, so would allocations.

The present "desperate" shortage of beef was expected to continue until September, said another spokesman.

Mr Chris Mbanga, secretary of the Zimbabwe Butchers' Association, said the new retail prices would put about 60% of black butchers out of business.

OLD MUTUAL INVESTS \$30M IN SALISBURY

Salisbury THE FINANCIAL GAZETTE in English 10 Jul 81 p 1

[Text]

The Old Mutual organisation is rapidly becoming one of the largest commercial property investors in Zimbabwe and this year plans to invest more than \$30 million in various projects.

By far the largest building project Old Mutual has become involved in is the \$15 million MCZ (Mutual-Costains Zimbabwe) project which is also being financed by the Costains Construction Group. The large, nine-storey office block on the site of the old city club on Baker Ave near Cecil Square will feature an arcade linking Baker and Gordon Avenues, to help

pedestrian traffic.

**BY-LAWS**

Construction of the new building, which has been on the books for months, was delayed by the effects of the new building by-laws and the decision to incorporate a service lane into the site area.

Old Mutual has also bought the Agricultural Finance Corporation property facing Cecil Square on Third Street for \$2,5 million and will develop the site at a future date.

It is also building a multi-storey office complex on the site of the former Wind-

sor Hotel on Baker Avenue.

The organisation also plans an extension of Mutual House, subject to obtaining the necessary foreign exchange from Government, and has remodelled two floors of Trustee House on Samora Machel Avenue for the Swedish Embassy, and is continuing to remodel the building.

Old Mutual has also advanced substantial bond finance to help industrialists with modernisation and extension projects and has made "extensive" loans to RISCO, ESC and the various municipalities for development projects.

NEED FOR FARM RESEARCH, MACHINERY STRESSED

Salisbury THE HERALD in English 31 Jul 81 p 14

[Report by Chemist Mafuba]

[Text] Deep concern has been expressed by the chairman of the commodity co-ordinating committee of the Commercial Farmers' Union over the state of the Department of Research and Specialist Services which he says is on the brink of collapse.

Mr Warwick Hale told delegates at the union's annual congress in Salisbury this week that the agricultural industry would slowly die if it lacked a dynamic research back-up.

"The fruits of research are the lifeblood of agriculture," he said. Mr Hale went on to say that the international reputation of Zimbabwean agricultural scientists was second to none in Africa and, as such, were a marketable commodity.

He said the prime causes of this tragic situation were:

The extremely poor salaries for experienced research officers which bear no relation to those offered outside Government.

Supercession by people with less experience and, in some cases, lower academic qualifications.

"The union cannot be accused of sitting back and watching without doing anything," said Mr Hale.

Research

"It has consistently pressed for a statutory research body, principally in order to give the research organisation more flexibility in terms of financial reward for outstanding work.

"The union was fobbed off with the setting up of the Agricultural Research Council as a half-way step.

"While this was a success from the point of view of giving the organisation more control over the spending of money, co-ordinating research and setting priorities, it had no power in terms of salary structures.

"To add fuel to the fire, senior research officers are now being superseded and their promotion prospects are practically nil."

A Commodity Research Co-ordinating Committee was formed by the Commodity Association this year. It included not only commodity associations within the union, but also representatives from outside bodies such as the Zimbabwe Crop Seeds Association, Tobacco Research Board and the Zimbabwe Seed Maize Association, who are all involved in research.

Mr Hale says in his report that "the general consensus of opinion of the committee was that AMA did perform a useful role."

The Minister of Agriculture, Senator Denis Norman, had since been told of the committee regarding the possible loss of experience on the marketing side and on the AMA board should current members be replaced by people with less experience.

The committee considered pros and cons for an annual price review rather than to negotiate continually one price or another throughout the year.

It was accepted that this year prices negotiations on beef, milk and wheat be handled separately.

He thanked Senator Norman and his team for achievements made to date on the pricing of agricultural products under "very trying and frustrating" circumstances.

#### New Machinery Vital--Kirby

The need for new farm machinery was highlighted at the CFU congress by the chairman of the Inputs, Economics and Finance Committee, Mr Ted Kirby.

He also pointed out that the remarkable increase in maize production in the past season had been achieved against a background of limited resources usually available.

The maize success story was achieved when further foreign exchange was allocated for the importation of fertiliser.

Mr Kirby called on the Government to take note of the need to improve the situation in respect of tractors, machinery and spare parts to a level where serious restrictions on the industry were avoided.

The current annual replacement rate of the tractor fleet was about one tractor for every 32 in operation. This meant that the tractor was going to have to last half the farmer's lifetime before another one could be obtained.

Proposals aimed at relieving foreign exchange constraints had been put forward, "but I cannot give an undertaking that the situation will get any better," said Mr Kirby.

Farmers were being increasingly frustrated in their attempts to move crops to market, and generally carry out timely operations.

"You all know that we are going to have to stockpile maize because we cannot move it."

Representations have been made to the Government to allow farmers to transport coal and fertiliser for each other, but this had been turned down.

CSO: 4700/306

## TESTING OF ALL-ALCOHOL FORD ENGINE REPORTED

Salisbury THE FINANCIAL GAZETTE in English 10 Jul 81 p 3

[Text]

**SOONER than they think, Zimbabwe's farmers could be running their tractors on pure alcohol.**

If tests currently under way on an all-alcohol Ford engine brought to Zimbabwe by Duly prove successful, the country could conceivably begin converting its national tractor fleet, and Zimbabwe's farms could be running on ethanol power within 10 years.

The alcohol engine, the most advanced of its kind in the world, was brought in by Duly last February and fitted to a conventional Ford 6 600 tractor. It has been tested by the Institute of Agricultural Engineering and Duly are now running their own tests on the Triangle Sugar Estate. To date, says Mr Mike Norton, Duly's product manager, its performance is comparable to that of a conventional diesel engine.

**CONVERTED**

That is not surprising because the alcohol engine is, in fact, basically a converted diesel. The only changes are the ignition system, which is the same as used on a conventional

petrol engine; the carburation system, said to be one of the simplest available, and the cylinder head.

The ignition system has been converted back to the conventional spark system because, unlike diesel, ethanol is corrosive and non-lubricating and, if it is pushed through a standard diesel system, will destroy the injector pump.

And although it uses about 70% more fuel than a diesel engine (11,7 litres an hour), it is very economical when cost factors are taken into account. Ethanol is much cheaper than diesel and is produced locally thereby saving valuable foreign exchange.

Duly, who are the local Ford agent, say they became interested in the all-alcohol engine after deciding that the future of diesel supplies was bleak. They knew that Ford was pioneering the development of alcohol engines in Brazil and asked the company to send them a demonstration model. The object was simply to test it under local conditions to see if it was suited to Zimbabwe's needs.

If the tests, which should soon be completed, prove

to be completely successful, the country could start converting its national tractor fleet.

"It's not a simple conversion", says Mr Norton, "but any experienced diesel or petrol mechanic can do it." Ford, he added, could conceivably provide the conversion kits for all makes of tractors, and the kits would not be more expensive than diesel engines if enough were brought into the country.

The obvious savings to the country would be enormous. Fuel accounts for a lion's share of the country's import costs. And the distribution system already exists because local petrol contains 15% ethanol.

The conversion to diesel engines could start on the sugar estates where the ethanol is produced, says Mr Norton.

"The estates down there could convert their tractors over a period of three to four years, and, for that matter, we could also convert their trucks.

"On a practical basis, we could convert the national tractor fleet in about 10 years."



## ZIMBABWE

### BRIEFS

**STAFF SHORTAGE--Gwelo--**Because of serious staff shortages in the Gwelo City Treasury Department, Bulawayo City Council has been asked--and has agreed--to send one of its senior accountants to Gwelo for a month to help prepare the financial estimates which should have been finalised in June. As the Bulawayo Treasury Department is fully staffed, this was put to the council which this week gave its approval. The accountant will come to Gwelo on Wednesday to help the Deputy City Treasurer of Gwelo, Mr Clifford Fletcher, and his staff, to prepare and finalise the accounts. [Text] [Salisbury THE HERALD in English 27 Jul 81 p 1]

**RURAL EDUCATION--Bulawayo--**The rural population should not be neglected at a time when others enjoyed the fruits of independence, the director of the Zimbabwe Distance Correspondence Education College, Dr Sikhanyiso Ndlovu, said at the weekend. Addressing a regional meeting of the Zimbabwe Teachers Association at Wankie, Dr Ndlovu said knowledge appeared to be a guarded possession of a few people, particularly those in urban areas. He said most of the more than 10 000 Zimbabwean graduates who had returned to the country after independence had been absorbed in urban institutions which served only 15 percent of the population. The rural areas, which had 75 percent of the population, were almost neglected. Furthermore, almost 1 000 000 former refugees and former combatants were being resettled in the rural areas. "It is therefore more than imperative to provide a means for their quicker access to education and skills for self-development, self-reliance and national development. "Lack of education means ignorance. Ignorance begets poverty. Poverty begets disease or morbidity. Morbidity begets mortality and mortality destroys the whole nation." Dr Ndlovu said distance education was the answer to quicker education. People did not have to wait for classrooms or manpower. [Text] [Salisbury THE HERALD in English 28 Jul 81 p 5]

**UMFULI COTTON GROWERS--**The number of cotton growers in the Umfuli rural area, 70 km southwest of Sinoia, has nearly doubled this season, says the Devag Provincial Training Officer for Mashonaland West, Mr Aggeus Ackerstaff. Opening the Umfuli West agricultural show at Mvurayatonhora Market Centre last week, he congratulated farmers on the Umfuli area's quick return to normality after the war. He attributed the increased crop yield to the good rainy season and the issue of free crop packs to farmers by the Government. Four farmers from the area had been nominated for the Grower of the Year competition. While farmers had gained with their crops, they had lost on livestock, he said. Wet conditions had caused muddy cattle kraals and large areas set aside for crop planting had



made kraaling and cattle herding more difficult. Recent cattle sales had showed that the average price per beast was \$100 in the Umfuli area, it was \$120 in the nearby Magondi rural area. He hoped that Zimcord funds would be used to build new boreholes, dams and walls in the Umfuli area. [Text] [Salisbury THE HERALD in English 28 Jul 81 p 7]

EEC DELEGATION--Two European Economic Community parliamentarians on a five-nation fact-finding mission arrived in Salisbury yesterday afternoon. Mr Niels Jorgen Haagerup of Denmark and Mr Ulrich Irmer of West Germany represent the Liberal and Democratic Group in the European Parliament. The two MPs visited Angola and Zambia before they came to Zimbabwe. Over the next three weeks the team will also visit Mozambique and Lesotho. Mr Haagerup said in a brief interview at Salisbury airport that they were discussing the political situation in Southern Africa with Government leaders and political parties. "We are also interested in the situation in Namibia," he said. But Mr Haagerup warned that they were not coming to Southern Africa with any answers--rather to learn. [Text] [Salisbury THE HERALD in English 28 Jul 81 p 3]

DUTY-FREE CARS--The practice of allowing immigrants a four-month period within which to import a motor vehicle duty-free will end next year, according to amendments to the Customs and Excise Regulations published recently. At present immigrants are allowed up to four months after entering Zimbabwe in which to buy, or enter into a contract to buy, a motor vehicle to be included in the rebate of duty on immigrants' effects. A spokesman for the Ministry of Finance said the special four-month period applied to motor vehicles only, and was introduced as a means of transferring capital to Zimbabwe or as an incentive to immigration at a time when the transfer of funds was restricted by sanctions. "The immigration position is now different, sanctions have been withdrawn, and because there have been increasing incidents of abuse of the concession, the four-month grace period for motor vehicles will be withdrawn on January 1, 1982," he said. "Motor vehicles will now be treated in exactly the same way as immigrants' other belongings. The immigrant will have to own, or have entered into, a contract to own a vehicle at the time of his arrival in Zimbabwe in order for it to qualify for a rebate of duty," he said. [Text] [Salisbury THE HERALD in English 28 Jul 81 p 1]

COFFEE PRICES--Although world coffee prices are at a record low, it is too early to tell if Zimbabwe's crop will be seriously affected. Mr David Sivewright, chief executive of the Coffee Growers Association, says that Zimbabwe's crop will not be exported for another five months and, in that time, coffee prices could still increase. Zimbabwe's coffee, moreover, is mainly bought as a blend and regularly fetches up to US 40c more than the pegged International Coffee Organisation's price. "The world market could be lower than last year, but no one in his right mind is making any predictions as yet," said Mr Sivewright. He added that coffee being a controlled crop, all of its marketing was undertaken by the Grain Marketing Board. "The picking season has just started and the GMB prefers to hold on to the coffee for as long as possible to improve quality," he said. "No export sales are planned before September by which time the market situation may have changed, particularly if there is frost in Latin America." [Text] [Salisbury THE FINANCIAL GAZETTE in English 17 Jul 81 p 4]

**END OF**

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